

FEB MANUFACTURERS & SUPPLIERS OF BUILDING & CHEMICAL PRODUCTS FOR THE CONSTRUCTION INDUSTRY

Lovell for CONSTRUCTION

FINANCIAL TIMES

NEWS SUMMARY

GENERAL Snow brings chaos to Britain

BUSINESS Equities reach six-month low

Anger as Callaghan defends right to cross pickets

BY RICHARD EVANS AND PHILIP BASSET

Mr. James Callaghan infuriated Labour Left-wingers and many trade union leaders yesterday by strongly defending the right of workers to cross picket lines and by hinting that police should take stronger action to control excessive picketing.

Rail unions put claim

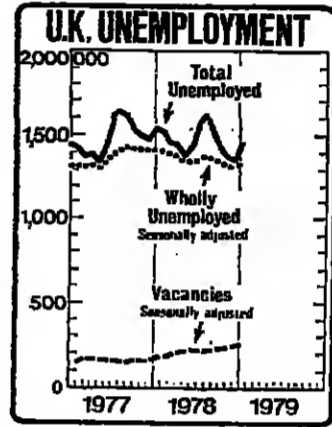
RAIL union leaders presented their "substantial" pay claim to British Rail in talks which are also intended to reach a settlement over productivity payments. Back Page

Israel fears over oil supplies

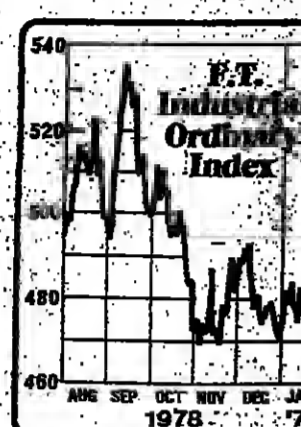
ISRAEL faces an oil supply crisis, according to senior American oil executives familiar with the Israeli market.

Jobless total rises to 1.34m

UNEMPLOYMENT IN THE UK increased sharply in the month to mid-January. This was the first rise since last August and mainly reflected the exceptionally bad winter weather rather than the effects of the industrial disputes.



Snow storms swept Britain bringing chaos to thousands of miles of roads and paralysing traffic yesterday. An estimated 500 miles of traffic jams clogged roads in the South and Midlands.



Evening News to cut jobs The London Evening News is to cut about 580 jobs and the number of editions it prints in an effort to trim £5m off its annual losses, now running at over £7m.

restraint, and the FT ordinary index closed 5.5 down at 467.6, its lowest for six months.

Beirut blast Palestinian guerrilla leader Yasser Arafat returned to Beirut to lead inquiries into the car-bomb killing of Abu Hassan, his senior security aide.

WEST GERMAN economy is expected to grow by 3 per cent in 1979. Government expects in Bonn have predicted. Back Page; Editorial Comment Page 18

Belfast attack Gunmen firing at roadworkers shot and seriously injured a policeman at the centre of Belfast. "Shortly" afterwards another policeman was injured in a gun attack on a patrol car.

JAPAN'S economy is expected to grow at rates of no more than 5 per cent in the next year or so, according to the Japanese business federation the Keidanren. The Government in Tokyo expects a 6 per cent growth rate. Page 4

Embassy 'seized' Iranian students took over their country's consulate in Paris, proclaiming it the "Embassy of the Islamic Republic of Iran." They later left without interference from police. The Shah has decided to postpone his visit to the U.S. and stay in Morocco for a week. Page 4

BSC has signed a technical agreement with Siderbras, the Brazilian steel industry's state holding company, which is expected to lead to contracts for the corporation's overseas services division. Back Page

Director cleared Thomas Graham Lock, 46, general manager and a director of Lucas Service Overseas—one of the defendants in the trial alleging Rhodesian sanctions-busting by two subsidiaries of Lucas Industries, was acquitted at Aylesbury Crown Court. The trial continues. Page 6

SCOTCH whisky exports last year reached a record £661m, and a volume increase of 12.5 per cent on the previous year. At the same time the industry is threatened by an EEC Commission decision that arrangements made by some whisky companies to restrict parallel exports of Scotch infringe the Treaty of Rome and must end.

Cigarette 'lottery' The Imperial Group lost the first round in its court battle over the 'Spot Cash' cigarette promotion scheme when a High Court judge ruled the scheme was a lottery and therefore unlawful. An appeal is to be made. Page 16

FIAT has completed its group reorganisation with a top management reshuffle giving Sir Umberto Agnelli direct control of Fiat's daily management. Back and Page 24

Tanker inquiry Dublin High Court Judge Declan Costello is to head a tribunal of inquiry into the explosion on board the French oil tanker Beluga in which 50 people died in Bantry Bay, Co. Cork, on January 8.

DAVY CORPORATION, the engineering and construction group, reports pre-tax profits for the half year to September 30 up from £8.4m to £8.52m. Page 20 and Lex

France rejoins France returning to regular international disarmament talks in Geneva today, ending a boycott started by the late President de Gaulle 16 years ago.

SMITH BROS, the UK stock and share jobber, reports pre-tax profits for the half year to October 27 down from £704,282 to £222,610 reflecting a reduced level of market activity. Page 20

Briefly Supersar John Travolta has pulled out of his latest film American Gigolo because his father has had a heart attack.

TRANS WORLD AIRLINES, whose parent company Trans World Corporation has announced an unexpected \$12.1m loss in the fourth quarter, has applied for a 7 per cent increase in Transatlantic air fares. Page 24

Lord Alexander Todd, President of the Royal Society, was awarded the Lomonosov Gold Medal, the Soviet Union's top scientific award.

XEROX CORPORATION of the U.S. reports a 17 per cent rise in fourth quarter earnings to \$108.9m, bringing the total 1978 increase to \$563.5m, up 15 per cent on 1977. Page 24

More water workers on strike over 14% offer

THE THERBAT facing the Government from Britain's 1.5m public service employees was emphasised yesterday as several hundred more water workers went on strike against their 14 per cent pay offer.

Iranian oil supply crisis

ISRAEL faces an oil supply crisis, according to senior American oil executives familiar with the Israeli market.

Daimler-Benz U.S. lorry plant

DAIMLER-BENZ—the most consistently successful motor manufacturer in West Germany—is to set up an assembly plant for commercial vehicles in the U.S.

Fly the Big Orange.

London to Dallas-Fort Worth non-stop. Daily. It's got all the right connections in America's Big Country.

BRANIFF INTERNATIONAL Mainland USA, Hawaii, Mexico, Alaska, Canada, South America and Europe. Includes flight schedule map and arrival times.

CHIEF PRICE CHANGES YESTERDAY (Prices in pence unless otherwise indicated)

CONTENTS OF TODAY'S ISSUE and FEATURES

RESIDENTIAL PROPERTY

PRINCIPALITY OF MONACO
7, AVENUE SAINT ROMAN
MONTE CARLO
Residence du Parc Saint Roman
Situating very close to the Country Club, to the Beach and to the Sporting Club...

K.A.L.
MELBURY ROAD W14
Smart flat for company executive.
2 bedrooms, rscap., k. & b. C.H. & H.W. inc. 235 p.w.

EUROPEAN NEWS

Two-day talks on Aegean issues

By Metin Munir in Ankara
The Secretaries General of Turkey and Greece are to meet in Ankara for two days from February 3 to continue talks on the bilateral problems...

Chirac proposes annual rotation of Europe MPs

BY ROBERT MAUTHNER IN PARIS
M. JACQUES CHIRAC, the Gaullist leader, yesterday renewed his attack on a supra-national Europe and announced that he would present a list of candidates for the defence of France's interests in Europe...

Austria plans tax reform

By Paul Lechner in Vienna
A SPECIAL commission will begin work on a thorough reform of the Austrian tax system, aiming at a general reduction in the current tax rates by eliminating various privileges and exceptions...

BOND DRAWINGS

SOCIETE FRANCAISE DES PETROLES S.P.
7% Loan-1968/1980-FF100,000,000-
BONDHOLDERS ARE HEREBY INFORMED that the amortization of March 1, 1979 for which an instalment of FF10,999,000 is due, will be redeemed at par as from 1st March 1979.

WE LEAD. OTHERS FOLLOW

Flights to Canada, Copenhagen, South America, Middle East, India, Pakistan, Far East, North West, East Africa, Australia, Europe and many other World-wide destinations.

Bank fraud inquiry urged

BY DAVID WHITE IN PARIS
EMPLOYEES of Credit Lyonnais, France's second largest commercial bank, are pressing for a Government inquiry into the fraud case which the bank admitted last week had cost it FFrs 37m (about £4.5m).

Madrid and Lisbon hit by strikes

BY ROBERT GRAHAM IN MADRID
THE START of a three-day strike by Madrid refuse collectors day to provide an emergency refuse clearance service in the capital. Skeleton crews manned by the authorities that, if an accident occurred, the workers responsible would be imprisoned.

Second spy evades arrest in Germany

By Adrian Dick in Bonn
A SECOND alleged East German spy seems to have managed to evade the West German Federal Criminal Bureau (BKA) in the course of the wave of arrests last weekend that followed the defection of an East German intelligence officer to the West.

Holland marks birth of nationhood

By Charles Batchelor in Amsterdam
HOLLAND YESTERDAY began some 20 weeks of celebrations of the 400th anniversary of the signing of the Union of Utrecht, which marked the founding of the present day Kingdom of the Netherlands.

EEC, Canada study steel costs

BY GILES MERRITT IN BRUSSELS
EUROPEAN AND Canadian steel manufacturers have agreed to begin work on a co-operative research programme that could cut total EEC steel production costs by about \$90m a year in the 1980s.

Japan N-waste unloaded in Cherbourg

PARIS - The first cargo of nuclear waste to be sent to France by Japan under a controversial deal was unloaded in Cherbourg yesterday and was being moved to a nearby reprocessing plant, officials said.

LEGAL NOTICE

No. 00143 of 1979
In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of PERAMOUNTS LIMITED and in the Matter of The Companies Act 1967.

COMPANY NOTICES

M.T.D. (MANGULA) LIMITED
(Incorporated in Rhodesia)
Commander H. F. P. Grenfell, D.S.C., R.N. (Retired), Chairman, W. I. Senege, Deputy Chairman, E. R. Campbell, C.B.E., M.C., Treasurer, W. A. Smith, Secretary, W. G. M. G. M. C.

COMPANY NOTICE

BEARER DEPOSITORY RECEIPTS representing Preferred Stock of BAXTER TRAVENOL International Corporation 1st Series Convertible Preferred Stock

COMPANY NOTICE

PORTUGUESE GOVERNMENT'S PER CENT EXTERNAL DEBT 1962
In accordance with the law of the 14th June 1962, the 1st Series Bonds of the Portuguese Government's External Debt 1962 have been selected by the Junta do Crédito Publico in Lisbon as follows:-

POPE JOHN PAUL'S PLANNED VISIT TO POLAND

The uninvited guest

Mr. Gromyko will have had some indication from the letter sent by ex-Cardinal Wojtyla (now Pope) to Krakow, to be read in all the churches of the arch-diocese at Christmas Midnight Mass, in which he wanted to sound out the Pope on how he intends to treat the visit.

Japan N-waste unloaded in Cherbourg

PARIS - The first cargo of nuclear waste to be sent to France by Japan under a controversial deal was unloaded in Cherbourg yesterday and was being moved to a nearby reprocessing plant, officials said.

EDUCATIONAL

BRANSONS COLLEGE
ENGLAND
A Level Courses in 17 subjects at Plympton, Ipswich, Tunbridge Wells and in 12 small tutorial centres. Over-all entry-average rate 1.2. 1st Year A Level Tuition at the old school of St. Agatha de Morn, Devon.

COMPANY NOTICE

PORTUGUESE GOVERNMENT'S PER CENT EXTERNAL DEBT 1962
In accordance with the law of the 14th June 1962, the 1st Series Bonds of the Portuguese Government's External Debt 1962 have been selected by the Junta do Crédito Publico in Lisbon as follows:-

OVERSEAS NEWS

Japanese growth forecast questioned

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

THE JAPANESE economy will probably grow at rates of no more than 5 per cent in the next year or two although the Government hopes for 6 per cent or more, according to a report by the Keidanren, the Japanese Federation of Economic Organisations.

India Cabinet changes

By K. K. Sharma in New Delhi

The seven-month political crisis in India is expected to end today with the swearing in of Mr. Charan Singh as Deputy Prime Minister in charge of the Finance Ministry.

The crisis in the Cabinet and the ruling Janata Party began last July when Mr. Morarji Desai, the Prime Minister, obtained the resignation of Mr. Charan Singh who was then Home Minister.

The prolonged efforts made since July to patch up the rift in the party led to frequent wrangling among senior Ministers and party leaders and has tarnished Janata's image.

THE CRISIS IN IRAN

Military muscle flexed to show support for Shah and danger for his foes

BY SIMON HENDERSON IN TEHRAN

A BIZZARRE display of military prowess by 1,200 men of the Shah's Imperial Guard yesterday added to the confusion in Iran over the role of the military in Ayatollah Khomeini's return as expected on Friday.

The Keidanren's vision of a 5 per cent growth rate in the near-term followed by slight acceleration thereafter contrasts with a Government forecast that GNP will grow about 6 per cent in fiscal year 1978, ending next March, and by 6.3 per cent in fiscal 1979.

A slight revival in consumer demand and private investment is expected to tip the economy towards a marginally higher growth rate than in 1978, resulting in the fulfilment or near-fulfilment of the target of 6.3 per cent growth.

Israel warns of retaliation

BY DAVID LENNON IN TEL AVIV

ISRAEL THREATENED yesterday to escalate the war against the Palestinians both inside Israel and in Lebanon as unrest increased among Israeli Arabs and Palestinian rocket attacks from Lebanon continued to disrupt life in northern Israel.

Fatah out to avenge killing

BY IHSAN HIJAZI IN BEIRUT

EL-FATAH, the guerrilla movement's main organisation, has vowed to avenge the assassination of one of its leaders, Mr. Abu Hassa Salameh, who was killed here on Monday in a bomb explosion.

Officials at the Economic Planning Agency claim that the economy's recent performance points towards attainment of the 6 per cent target. However, a close look at recent indicators suggests that this is in fact unlikely.

Germany, U.S. groups tipped for Hijaz study

BY RAMI G. KHOURI IN AMMAN

GERMAN AND American consultants among the eight short-listed international consortia of consulting engineering firms are best placed to win the feasibility study contract for the reconstruction of the 1,300km-long Hijaz Railway, the Jordanian Transport Minister, Mr. All Subhmat, told the Financial Times.

Rig sinking clouds UK export hopes

By Kevin Dore

THE DEPARTMENT of Energy is concerned that the export prospects of the UK offshore supplies industry could suffer lasting damage from the sinking 12 days ago in the North Sea of an 11m oil production platform bound for Brazil.

Brazil curbs state imports

By Diana Smith in Rio de Janeiro

BRAZIL'S multi-billion-dollar trade State enterprises—oil, electricity, steel, fertilisers, petrochemicals and mining, among others—are to have imports tightly regulated.

Soviets seek Western bids for \$1bn 'sour' gas plant

BY DAVID SATTER IN MOSCOW

THE MACHINOPIMPORT Soviet foreign trade organization has called for bids from six western consortia for construction of a massive "sour" high sulphur gas processing complex in the northern Volga region near Astrakhan at a cost of about \$1bn.

GATT counterfeit code dispute

BY BRIJ KHINDARIA IN GENEVA

U.S. PROPOSALS to include a code penalising commercial counterfeiting in the new GATT agreement has received a cool response from both the developing countries and some southern European nations.

U.S., China textile talks

BY DAVID BUCHAN IN WASHINGTON

U.S. AND Chinese officials this week opened their first commercial talks at an official level since the establishment of diplomatic links on January 1, 1979.

Record Swiss export credit

By John Wicks in Zurich

SWITZERLAND HAS signed a "credit agreement" with Indonesia totalling SFr 250m (\$66.5m), the biggest transaction to date in which a Swiss banking consortium will provide funds, backed by the Federal Export Risk Guarantee system.

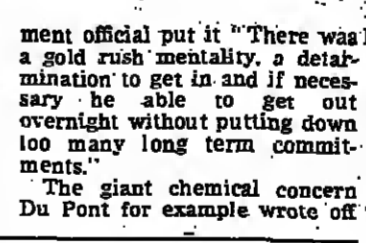
Boom fading for U.S. business

BY STEWART FLEMING IN NEW YORK

AS ONE Carter administration official put it "the golden age for U.S. business in Iran is over. Its future role is likely to be on a very much reduced scale."

Troubles halt gas flow to Soviet Union

MOSCOW—A pipeline bringing natural gas from Iran to the Soviet Union has been shut off as a result of the troubles in Iran, and at least one Soviet region is suffering severe hardship as a result.

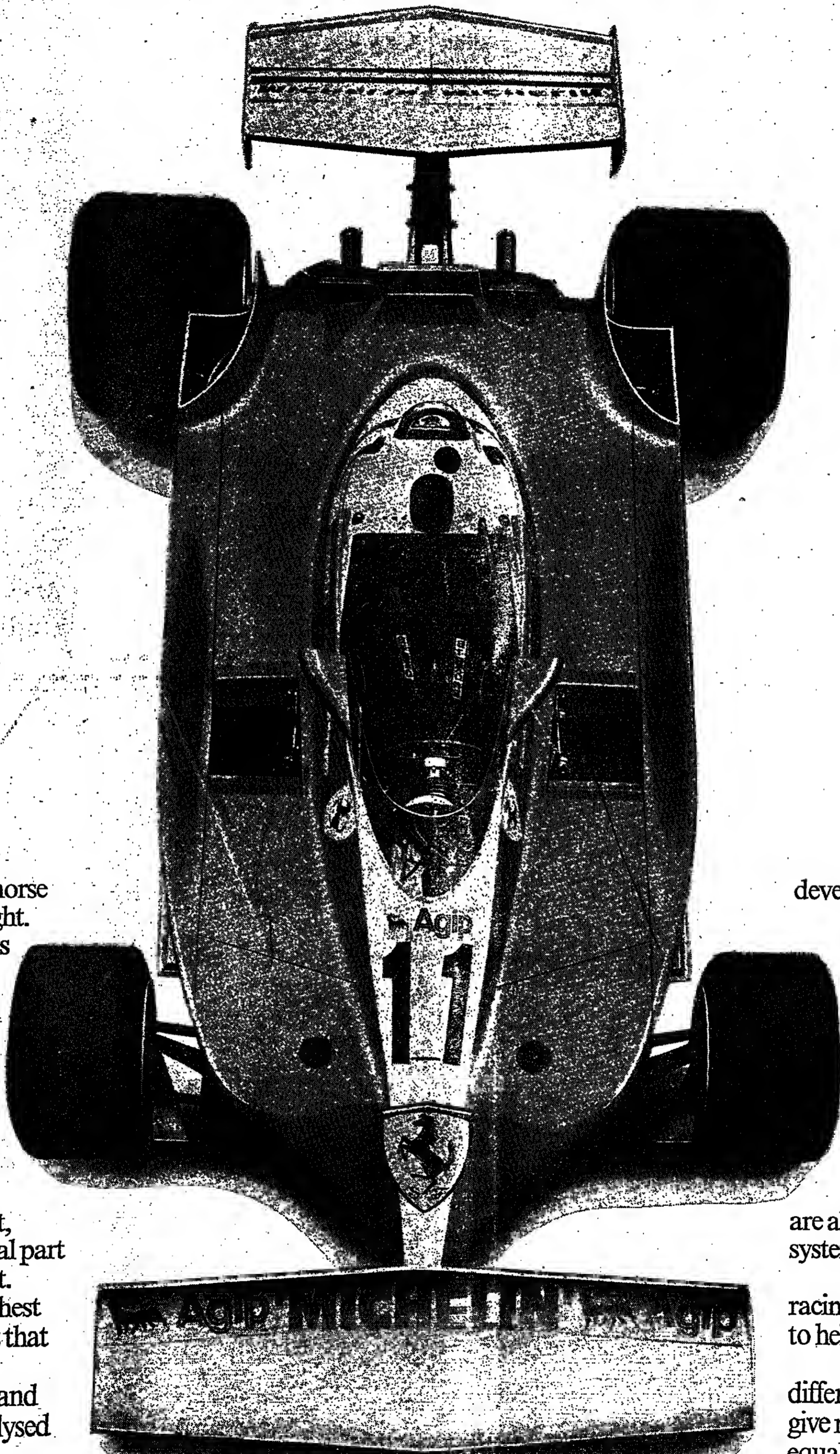


Portrait of a man, likely a political figure mentioned in the article.

The Shah of Iran (right) has decided to postpone indefinitely his planned visit to the U.S., sources close to the exiled monarch said yesterday. AP reports from Marrakesh, Morocco.

course been hit by the cut-off in oil exports. The U.S. corporations had some 45,000 employees and their families in the country. But the rapid withdrawal of all but essential technical staff by many concerns has reduced the figure to 12-13,000, according to the State Department.

Christian name: Ferrari. Family name: Fiat.



300 km/h. 500 horse power. 600 kg in weight. Yet all this contributes a great deal to the everyday family car. For in the 2 hours or 300 km at top speed of a Formula One Grand Prix, a Ferrari undergoes what a family car does in several years. It's a concentrated test, where each mechanical part is stretched to the limit. A challenge of the highest order which demands that new solutions are continuously sought, and traditional beliefs analysed and questioned.

Fiat and Ferrari, world champions and makers of family cars and Formula

One racing cars, are exchanging information all the time. Continuous

contact in the same research centres. On the same test tracks. In the same

development laboratories. The sheer will to win, the fight to be first becomes a joint commitment, wider and more diversified, in the field of research.

The Fiat research centre, the wind tunnels, Ferrari's test track at Fiorano, and Fiat's at Nardò, are all part of a unique system.

Created specifically for racing cars and family cars to help each other.

Because these two quite different experiences can give rise to a common and equally successful technology.

For Ferrari on the race tracks and Fiat on the roads.

FIAT

UK NEWS

JOHN LLOYD REPORTS ON PLANS FOR CUTS AT EVENING NEWS

Associated's fight to halt drain on profits



Hugh Southgate

THE CUTS proposed for the Evening News are aimed at reducing annual losses... Two years ago, Associated Newspapers and Beaverbrook Newspapers...

classified market increased from about 45 per cent to over 50 per cent in the final months of last year (54 per cent in November)...

of them in the circulation and distribution departments. Some £6m has been set aside for compensation...

North Sea oil drilling 'could fall again'

BY KEVIN DONE, ENERGY CORRESPONDENT

OIL COMPANIES operating in the North Sea have warned the Government that there could be a further slight fall in offshore drilling this year...

New £21m tube steel plant for Sheffield

THE BRITISH Steel Corporation is to spend £21m on a new plant for tube steel production at its Stockbridge works in Sheffield.

The investment, which was announced by Mr. John Pennington, managing director of the BSC's Sheffield division...

Tenants owe £62m rents

LOCAL authorities in England and Wales were owed almost £62m in council house rent arrears at the end of the 1977/78 financial year...

The report was prepared by the Chartered Institute of Public Finance and Accountancy following a survey of 324 housing authorities...

Record 261 ships lost last year

BY JOHN MOORE

SHIP LOSSES last year set a new peacetime record, according to figures released yesterday by the Institute of London Underwriters...

The vessel was insured for £6m, of which £4.8m was met by the London insurance community. On the aviation front...

Uranium Institute cleared by U.S.

By David Fishlock, Science Editor

THE URANIUM Institute, an international "think-tank", set up by the uranium industry in London in 1976...

ICI increases its price rises

BY SUE CAMERON, CHEMICALS CORRESPONDENT

FURTHER INCREASES in the cost of naphtha—a basic petrochemical feedstock—are forcing Imperial Chemical Industries to raise its product prices...

Mabon chides EEC over energy policy

BY MAURICE SAMUELSON

THE EEC Commission should stop attacking key parts of Britain's energy policy and copy them for the benefit of the whole Community...

Air terminal work begins

WORK HAS begun at Heathrow Airport, London, on the £8.8m "Eastern satellite terminal" between Terminals One and Two.

It is expected to be completed by August next year and will be used primarily for the 2m passengers who travel each year on the London-Paris routes of Air France and British Airways.

Director acquitted in sanctions trial

ONE OF the defendants in the trial alleging Rhodesian sanctions-breaking by two subsidiaries of Lucas Industries was acquitted on the direction of the judge at Aylesbury Crown Court yesterday.

Mr. Lock faced a single charge which alleged that he should have known that his company allegedly exported £23,288 worth of motor vehicle spares destined for Southern Rhodesia with intent to evade the prohibition on the exportation in breach of the UN trading sanctions against Rhodesia.

Details soon of charges for Talisman

Financial Times Reporter

DETAILS OF the charges for Talisman, the Stock Exchange's new computerised bargain checking system, will be sent out in a letter to member firms at the end of this week.

Datsun goes up-market with executive car

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

JAPANESE manufacturers have started the year determined to develop a more up-market image for their cars as well as getting higher prices for them.

Laker flights to Canada

SIR FREDDIE LAKER has set up a company to promote cheap-fare charters between the UK and Canada.

Laker Air Travel (Canada) will offer return flights for as little as \$200 (Canadian), about £135, in the off-peak season, rising to \$410 (about £178) in the peak months.

Optimistic forecast for economic outlook

BY DAVID FREDD

A MARKEDLY optimistic forecast for Britain's economic performance, in spite of current pay disputes, was published yesterday by the Henley Centre for Forecasting.

Necklace top at £12,500

A RARE mid-17th century Dutch oval gold locket containing a miniature of a young woman sold for £2,800 at Phillips yesterday in an auction of jewellery which totalled £115,850.

Top price in the sale was the £12,500 for a Georgian diamond collet necklace. In the morning, Phillips sold furniture for £27,588. An 18th century Tuscan walnut refectory table fetched £1,450, and a set of 12 early Victorian rosewood dining chairs £1,750.

Small Scottish concerns 'need advice and loans'

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THREE QUARTERS of small companies in Scotland want expert advice, and nearly half need working capital or money to finance new buildings and equipment.

More schools for truants

THE NUMBER of special educational units for disruptive pupils and truants rose from 40 to 239 over the five years to 1977, according to studies by Her Majesty's Inspectorate of Schools.

More than two in every three English local education authorities now provide some kind of "sin bin", but the inspectors' survey of 18 comprehensive schools in built-up areas indicated that only a small proportion of children behave violently in class.

TV and audio sales increase

SALES OF televisions and audio products were up in the first 11 months of last year over the same period in 1977, with imports taking a bigger share.

UK-made colour TVs were up from 1.2m to 1.28m, and mono-chrome TVs from 482,000 to 509,000. Imports of colour TVs over the same period rose from 378,000 to 344,000, and mono-chrome imports rose from 458,000 to 517,000.

Inner cities policy criticised

THE GOVERNMENT'S inner cities policy came under attack yesterday from the Greater London Council for being too fragmented, and lacking in financial muscle.

A report to the council's policy and resources committee said the Government's continued fragmentation of London into separate, self-contained areas with different powers and levels of resources could not be justified and should be strongly resisted.

SALEROOM

BY ANTHONY THORNCROFT

Phillips sold furniture for £27,588. An 18th century Tuscan walnut refectory table fetched £1,450, and a set of 12 early Victorian rosewood dining chairs £1,750.

Machine grant for Parkinson

J. PARKINSON and Son, of Shipley, has received a £230,000 grant from the Department of Trade under its Machine Tool Industry Scheme.

The award covers about a quarter of the cost of design and development of Parkinson milling machines, gear testers and Sunderland gear generators.

NEB resists MPs' pressure for inquiry

BY CHRISTINE MORRIS

THE National Enterprise Board continues to resist pressure from some MPs for a new investigation into bribes alleged to have been paid by a subsidiary during a court hearing.

Transport Docks report attacked as inadequate

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

THE BRITISH Transport Docks Board was criticised by MPs yesterday for its refusal to disclose certain aspects of its business in its annual report.

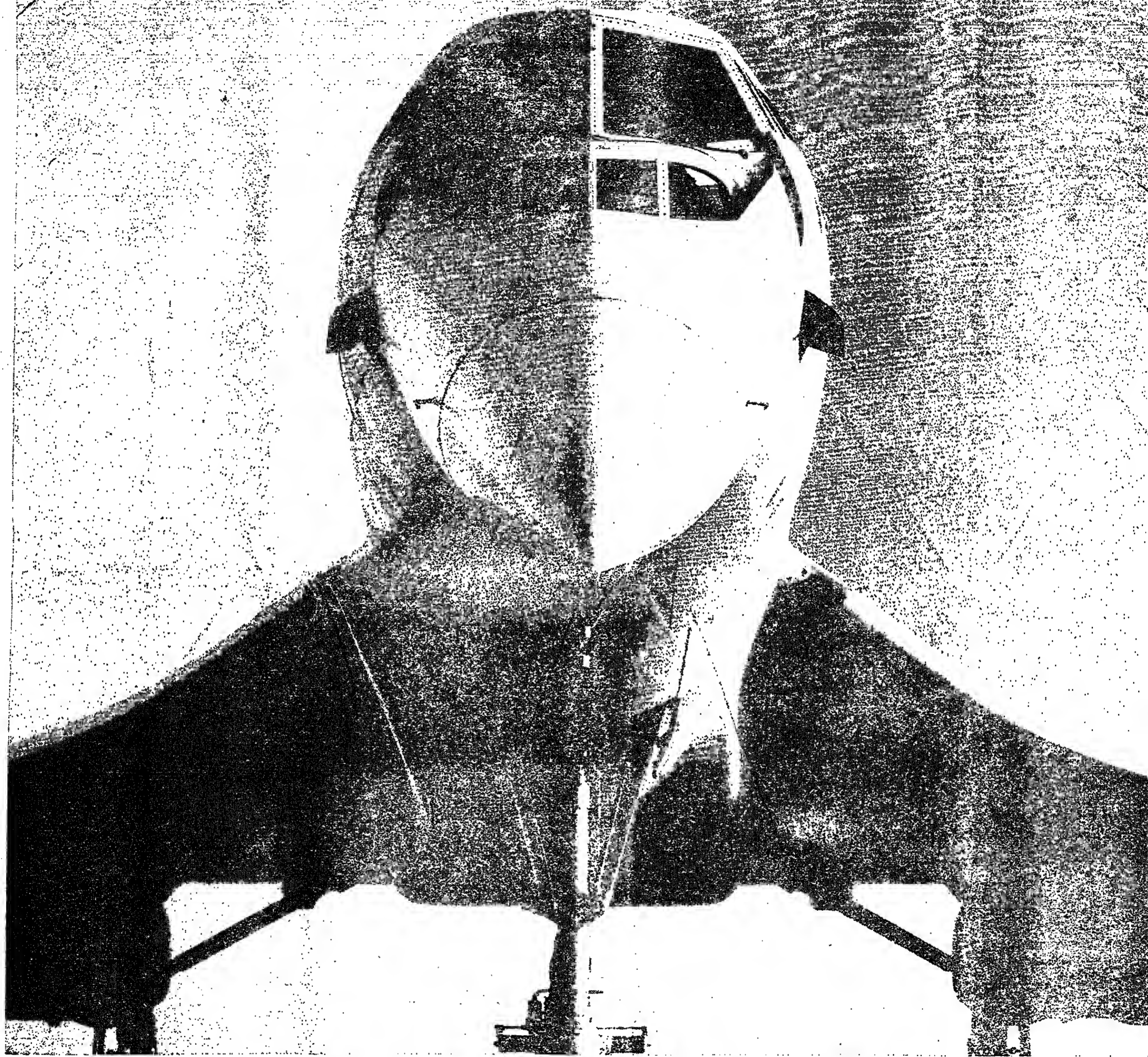
OBITUARY Mr. Gordon Wilson

THE FUNERAL takes place today at Fulmer, Bucks, of Mr. Gordon Wilson, director of sales at the British Aluminium Company and managing director of the company's rolled products division, who has died aged 54 after a short illness.

Notice of Appointment of Paying Agent to the Holders of Macmillan Bloedel Limited 915 Debentures Series A of £1,000,000 dated February 1, 1979

Tories Press Companies Bill changes. Page 9

The Not-So-Far East.



Concorde to Singapore in just 9 hours.

Starting 24th January, the Far East will be 9 Concorde hours away and the world will become a smaller place.

Leaving Heathrow at 1430 hours on Monday, Wednesday or Friday, you can fly to Singapore with just one stop in Bahrain, and return on Tuesday, Thursday or Saturday.

Your flight is 6 hours faster than the fastest subsonic time.

You cruise at 1350 mph, high above most

turbulence, and arrive fresh and relaxed, to make morning connections to other South East Asian business centres, or just a leisurely start to your working day in Singapore.

It's faster. It's smoother. And the service is nothing short of the best.

Concorde to Singapore is operated jointly with Singapore Airlines.

**British
airways
Concorde**

Ambulances halt again in London and Merseyside

BY PAUL TAYLOR

IN THE wake of Monday's protest strike over pay policy by public-service workers, ambulance services were again disrupted yesterday when crews in some areas continued their industrial action.

Pay award 'of over 25%' for Pill sales staff

By Pauline Clark, Labour Staff

PAY INCREASES estimated to be more than 25 per cent have been awarded to contraceptive pill sales staff employed by the American-owned Wyeth Laboratories in probably the most significant and sizeable award made by arbitrators under Section 16 of the Employment Protection Act.

Haulage pickets ease hold on some ports

BY LYNTON McJAIN

PICKETS eased their stranglehold on some of Britain's ports yesterday, but there were pockets of resistance around the coast to any reduction in industrial action.

Layoff forecasts 'were not designed to scare Ministries'

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE Confederation of British Industry yesterday denied that it had tried to scare the Government at the start of the lorry drivers' strike by forecasts of how quickly industry would be shut down and workers laid off.

Journalists challenge union over strike

BY ALAN PIKE, LABOUR CORRESPONDENT

THE HIGH COURT was asked to declare yesterday that the seven-week-long provincial journalists' strike, which ended last week, was unconstitutional and called in breach of National Union of Journalists' rules.

Animal feed makers angered by raw materials prices

BY CHRISTOPHER PARKES

ANIMAL FEED makers complained yesterday that they were being forced to pay exorbitant prices for basic raw materials as a direct result of the lorry drivers' strike.

Ford feels hauliers' impact in Europe

By Kenneth Gooding, Motor Industry Correspondent

FORDS European operations, which were disrupted by a disrupted by a dispute in the group last autumn, are feeling the impact of the UK hauliers' strike.

'Carry on' hopes rise as picketing relaxes

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

MANY COMPANIES expect to continue production indefinitely, regardless of the road haulage strike, according to the first results of a survey by the West Midlands region of the Confederation of British Industry.

Snowbound West gives up while both sides dig in

BY ROBIN REEVES, WELSH CORRESPONDENT

THE heaviest snowfall of winter overshadowed the effects of the transport and public services disruption in Wales and the West-country yesterday.

Callaghan sees Britain as new 'silicon valley'

BY PHILIP BASSETT, LABOUR STAFF

BRITAIN HAS a great chance of becoming the 'silicon valley' of Europe, the Prime Minister told a TUC industrial strategy conference on electronics yesterday.

Threatened Dunlop men want company blacked

FINANCIAL TIMES REPORTER

MORE THAN 2,000 workers facing dismissal at Dunlop's Speke tyre plant in Liverpool asked dockers not to handle Dunlop goods and the fuel supply unions and the road haulage men to black the company's products throughout the country.

Mounting chaos in North hits travellers

By Rhys David

TRAVELLERS suffered particularly as strikes continued to hit the North of England yesterday.

New peace plan agreed to end factory hold-ups

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE Confederation of British Industry and the transport union in Scotland yesterday agreed a procedure to try to minimise the effect of the haulage dispute on companies not directly involved.

Group opposes TUC 'monopoly'

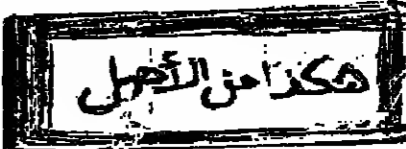
BY ALAN PIKE, LABOUR CORRESPONDENT

MEMBERS OF non-TUC-affiliated trade unions are urged in a report published yesterday to "break the monopoly" of representation held by TUC organisations.

NICK GARNETT ANALYSES WHY THE HAULAGE STRIKE HAS LASTED SO LONG

Struggle to see whose muscle fails first

THE LORRY drivers' strike, which began unofficially in some areas three weeks ago, has lasted longer than the employers and union expected.



PM urges trade unionists to cross picket lines

BY PHILIP RAWSTORNE

MR. CALLAGHAN, asserting the public right to cross picket lines, bluntly warned the unions yesterday that there were limits to the nation's patience. There were also limits to Government spending on public services, he added.

The Prime Minister devoted most of his 15 minutes in the Commons to some plain speaking on pay and pickets. It scarcely endeared him to the Labour left but it helped quiet the rampant Tories.

Mrs. Margaret Thatcher had been waiting impatiently to repeat her offer of help to the Government in legislating to curb the pickets—and any other union powers. "Are you going to do nothing?" she demanded.

New laws would provide no remedies, Mr. Callaghan retorted. But he continued to assert very clearly that everyone has the right to work—and to cross the picket lines. "It is not a sacred object."

There was nothing in law to prevent people from crossing

picket lines to carry out their duties.

Amid Tory protests, the Prime Minister said he saw no reason why anyone should be forced to stop work. There was nothing to stop any citizen crossing picket lines. "I would do so myself if I believed it were right."

He agreed with anxious Labour MPs that experience had made him sceptical of the effects of legislation on industrial relations.

Labour MPs received more discomfiting candour in reply to questions about low pay of public service workers.

How could the Government's pay policy work in the public sector when strikers in private industry got what they wanted, asked Mr. Mike Thomas.

"There was a difference between these sectors," Mr. Callaghan replied. "There is at least some operation of market disciplines in the private sector. People can lose jobs, as they are doing at the moment."

Steel seeks all-party inflation policy pact

BY ELINOR GOODMAN

THE LIBERAL leader last night raised the possibility of an all-party pact to reach a consensus on counter-inflation policy.

Mr. David Steel, who last year ruled out any formal agreement with the Tories, conceded that Mrs. Thatcher made sense when she called for a change in the balance of power held by the unions.

In a speech at the National Liberal Club, Mr. Steel repeated the idea—heard frequently during 1974—that considerable common ground existed between moderates in all parties.

Calling for a statutory wage freeze to hold the tide of wage claims until a longer-term counter-inflation policy could be agreed, he claimed that a clear majority existed across party lines for a package of proposals to control inflation and industrial anarchy.

Parties had a duty to discuss things among themselves, he said in what looks like a preview of Liberal election policy. The Government should not reject Mrs. Thatcher's offer of

co-operation to secure fresh legislation merely because she had come "rather late in the day in the principle of inter-party cooperation in a common national cause."

Mr. Steel said that Mrs. Thatcher was right to raise the question of union power and secondary picketing, just as Mr. Callaghan was correct in stress the need to put the rights of the community above the rights of any group.

At present, Labour's left-wing exercised a veto over union legislation, while the Tory right-wing would exercise a veto over prices and incomes legislation by a Tory government.

Since the end of the Lib-Lab pact last year, the Liberals have begun to feel a little left out, with the Government taking more notice of the nationalist parties than of the Liberals.

Last night's speech would seem to represent a bid by Mr. Steel to get back into the mainstream, and to exploit what the Liberals believe to be increasing public dissatisfaction with partisan point scoring.

Booth urged to end stalemate at Times

THE Government has been asked by Tory and Labour MPs to try again to bring about a resumption of publication of The Times and Sunday Times.

Mr. Albert Booth, Employment Secretary, admitted yesterday that his efforts so far to bring about an agreement between the parties to the dispute had not succeeded.

He said some agreement had been reached in talks at his department and he urged MPs to use their influence with both sides to persuade them to implement it.

Government intervention in the Times dispute was urged by Mr. Christopher Price (Lab., Lewisham, W), who accused Lord Thomson of taking his personal wealth—which had been pledged in support of The Times—to Canada.

"The Government bears a real responsibility to make proper arrangements if the titles of Times Newspapers are sold to somebody else," he said.

Mr. Booth said the Government aimed to keep as many newspaper titles as possible in existence in the provinces and Fleet Street.

Mr. Philip Whitehead (Lab.,

Derby N) urged Mr. Booth to make another attempt to get the parties together as more and more Times employees were being dismissed.

"We are losing two great national institutions in what is really a management virility symbol."

Mr. Booth said the dispute was very complicated and one in which it was only too easy to apportion blame to the various parties.

"We can and have agreed a way to remove many of the barriers to a recommencement of Times publication. That is what I want to do as speedily as possible."

Alan Pike, Labour correspondent, writes: In mid-December, Mr. Booth persuaded Times Newspapers management and the print unions to accept a formula which would have cleared the way for negotiations on all issues, including new technology.

The unions, however, are not prepared to negotiate unless the company lifts dismissal notices sent to about 3,000 employees and the prospect of talks remains deadlocked by this issue.

Ulster hopes rise

BY OUR BELFAST CORRESPONDENT

THE MAIN political parties in Northern Ireland will soon begin a new round of talks with Mr. Roy Mason, the Ulster Secretary, in another effort to find a consensus which would lead to devolution of a wide range of powers to a local assembly.

At his meeting in London today with Mr. Michael O'Kennedy, the Irish Foreign Minister, Mr. Mason will be able to hold out some hope that

the stalemate in Ulster might be broken.

There is little outward sign of a change of attitude on the part of the major blocs in the province.

Mr. Mason said in a letter to party leaders this week, however, that he was encouraged by "fresh thoughts, signs of flexibility and a readiness to recognise the interest of others" in meetings before Christmas.

Help for small companies

BY ANDREW TAYLOR

CONSERVATIVE MPs are beginning to press the Government to include small private companies from certain aspects of the Companies Bill, which has now reached committee stage.

The Opposition has already successfully included an amendment to the Bill, creating a new category of private business—the proprietary company—which it hopes to use as a springboard for further amendments.

Proprietary companies include

small private businesses with net assets of less than £1m, with fewer than 200 employees and most important—where all shareholders are directors.

Yesterday Conservative MPs further tested the Government with additional amendments which would have excluded proprietary companies from parts of the Bill which lay down a framework of rules under which companies are able to issue new shares.

Spending advice pleases Minister

By Our Parliamentary Staff

MR. ALBERT BOOTH, the Employment Secretary, hinted in the Commons yesterday that he did not favour public spending cuts if big wage rises are forced in the public sector.

He was challenged by Mr. Frank Allaun (Lab., Salford E) over recent speeches by the Governor of the Bank of England and Mr. Joel Barnett, the Chief Secretary to the Treasury.

Mr. Allaun said that these speeches implying cuts to public expenditure were "completely unacceptable" to a Labour movement as they were bound to increase unemployment.

Mr. Booth replied: "I am more likely to be guided by what Mr. Allaun says than the two gentlemen he refers to in this question."

32,000 Scots laid off

BY IVOR OWEN

UNION PICKETS were urged to relax their stranglehold on the Scottish ports by Mr. Bruce Millan, the Scottish Secretary.

He told MPs that the effect of the lorry drivers' strike on the Scottish economy had so far resulted in the layoff of some 32,000 workers in manufacturing industry.

"This number is likely to rise sharply if the dispute continues," Mr. Millan warned.

Small businesses were being badly affected, and the flow of

exports from manufacturing premises through the docks was severely curtailed.

Mr. Millan emphasised the impact being made by secondary picketing, though some slight easing of the position in some ports had been reported on Monday.

"I am anxious to see that we get the code of practice fully implemented and secondary picketing much reduced, then the problem at the ports in particular would be considerably lessened."

Loss of exports could mean loss of jobs, Mr. Millan said.

Supplies of fresh food—bread, milk, meat, fruit and vegetables—were adequate. The main items in short supply were sugar, salt, margarine and cooking fats, cereals and frozen foods.

Difficulties with some food items had been reflected in the Scottish Islands.

role and function of the Auditor-General with a view to giving him wider powers.

MPs last night remained unsatisfied with this undertaking and sought a categorical promise that the Comptroller would be given access to NEB books to carry out a full examination and report to the Commons.

The Bill raises the borrowing ceiling for the NEB and its subsidiaries from its present limit of £1bn to £4.5bn over the next five years. Much of this is for its largest subsidiaries, BL and Rolls Royce.

Mr. Richard Wainwright (L. Colne Valley) stressed that, unlike the Tories, his party did not want to see the NEB run down. But he thought the proposed £4.5bn was a "horrific figure" and that there must be

Tories to toughen supply day tactics

By Elinor Goodman

THE CONSERVATIVES have changed their tactics for tomorrow. Instead of using their supply day to attack the Government on the narrow subject of prices, they intend widening the debate to the whole economic and industrial situation.

The idea seems to be to phrase a motion couched in terms of the national interest.

In this way, the Tories will continue their policy of trying to project their party as one more concerned with the fate of the nation than in scoring party points.

The original idea had been to use the day allotted to them to choose the subject of the debate to attack the Government's record on prices.

But it is now felt that the industrial situation is so sufficiently serious to justify a broader debate.

The subject of prices will be dealt with when the Government brings forward its proposals for toughening up price controls.

The speakers for tomorrow's debate have yet to be selected but it is very unlikely that Mrs. Thatcher will speak.

The feeling is that she did very well earlier this week and that she should not be over-exposed.

MPs demand more NEB facts

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE Industry Bill, which raises the borrowing powers of the National Enterprise Board and its subsidiary companies by a further £3.5bn, ran into stiff opposition in the Commons last night.

The Liberals said they would vote for a Conservative amendment which opposed the second reading of the Bill on the grounds that the Government had not given enough financial details of NEB operations.

The amendment said there was totally inadequate documentary evidence of the board's performance and prospects.

When the second reading debate started last week, Mr. Eric Varley, Industry Secretary, announced that a study would be carried out of the

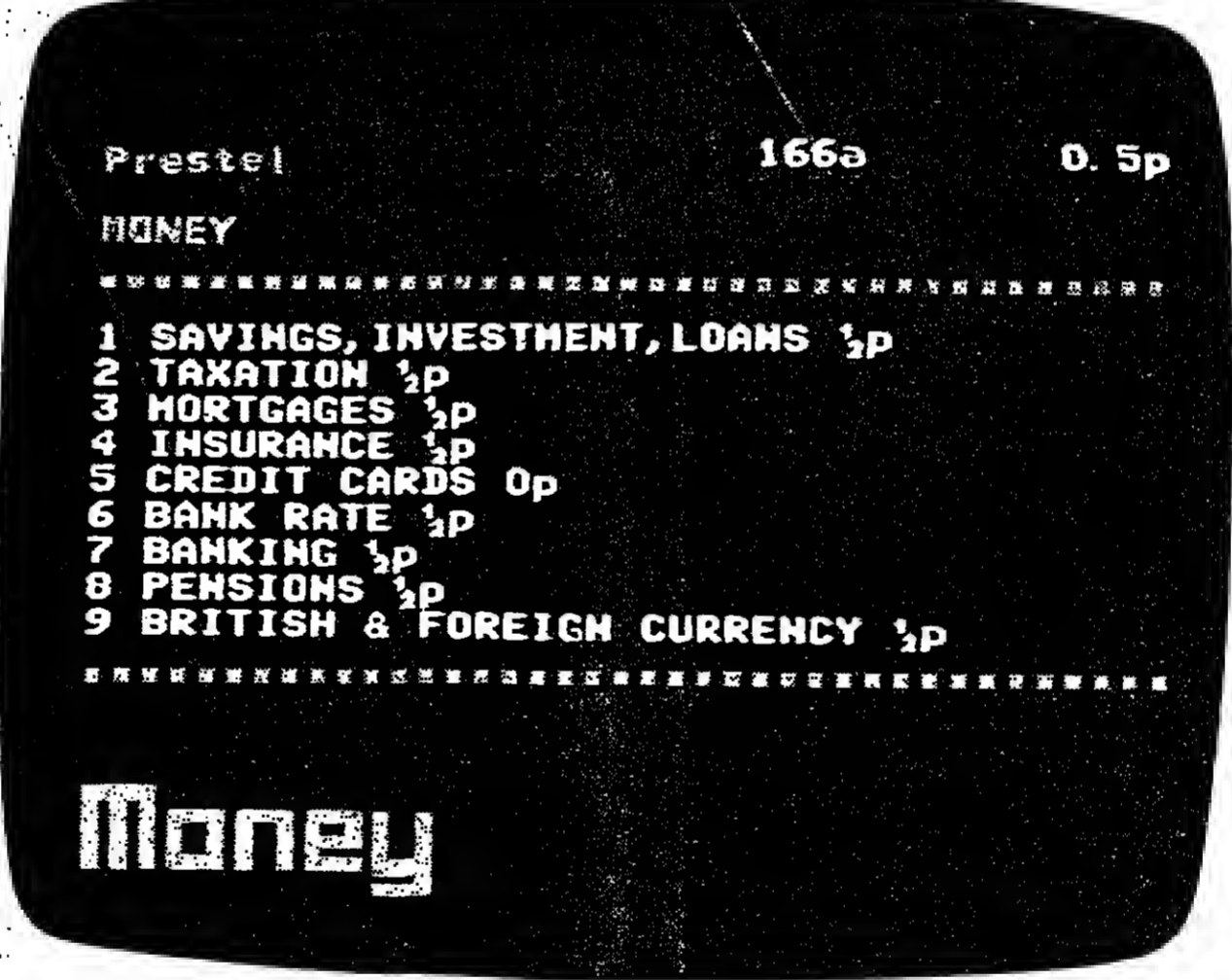
direct accountability for these "stupendous sums."

The Board should come to the House at fairly frequent intervals when it wanted more capital.

If the Government brought forward a more modest Bill, scaling down the requirements more in line with last week's expenditure White Paper, the Liberals would give it fair consideration.

Mr. Peter Hordern (C., Horsham and Crawley) alleged that the report and accounts of the Board were grossly misleading. The figures given showed the pre-interest return on investments. If the true cost to the taxpayer of public dividend capital was taken into account, the NEB would show a significant loss.

If you own a television set, you probably won't be able to read this.



Prestel 166a 0.5p

MONEY

1 SAVINGS, INVESTMENT, LOANS ½p

2 TAXATION ½p

3 MORTGAGES ½p

4 INSURANCE ½p

5 CREDIT CARDS 0p

6 BANK RATE ½p

7 BANKING ½p

8 PENSIONS ½p

9 BRITISH & FOREIGN CURRENCY ½p

Money

first Prestel sets in customers' homes.

And even at this early stage, there are over 800,000 pages of information available to Prestel subscribers.

It's a sign of the way television is moving from being a simple means of entertainment to a much more complex domestic information medium.

Ceefax and Oracle, for instance, the BBC and ITV information banks, are now plugged in to a great many Radio Rentals homes.

We already rent home video recording equipment.

All of these additional facilities are ready and waiting for any of our customers who want to make use of them.

So if you are thinking of investing your own hard-earned cash in a new television set, pause a moment.

Because you could well find that next year, your brand-new set seems a lot more than 12 months old.



We have a view to the future.

It's a page from the new telephone-linked home information service, Prestel.

And, as yet, only a tiny proportion of television sets in this country are designed to receive it.

Which means that even if you invested in a new set as recently as one year ago, you won't be able to read a page of it in your own home.

It's just one of the developments in television technology that have happened over the last few years.

And it's just one of the reasons why renting rather than buying a set is the best way to keep up with progress.

If you rent a television set from Radio Rentals, you can change models each year to cope with the accelerating pace of technology.

Already Radio Rentals have installed the

MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Unilever squares up to the economic slowdown

BY CHRISTOPHER LORENZ

MANAGEMENTS SHOULD stop pretending to themselves and their shareholders that the world economic slowdown necessarily means slower corporate growth...

This was the overriding theme to emerge from presentations by some of Europe's largest companies on "Strategies for the Early 1980s" at a conference in Brussels last week.

Too many companies had relied simply on expansion of the market, rather than active management, to increase their sales and profits in the golden sixties and early seventies...

The most revealing analysis of past and future strategy was given by Unilever, in the person of its chairman, Mr. H. F. van den Hoven...

product strategy of this normally shy multinational. Unilever, the Anglo-Dutch foods to chemicals group, might seem to be in the front line of any slowdown in consumer spending...

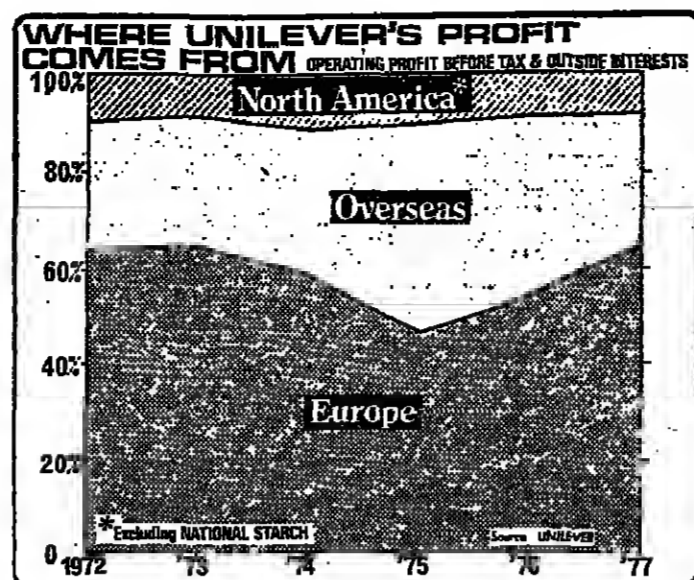
Seizing one of the fiercest hulls by the horns, Mr. van den Hoven said he was fully prepared to see a gradual increase of local participation in Unilever's subsidiaries in developing countries...

Analysing Unilever's performance and policies over the past 10 to 15 years, Mr. Meij said its annual growth had been roughly in line with increasing consumer expenditure in the countries where it operated...

keep pace. Europe had remained the source of about 70 per cent of Unilever's sales, though not profits, while the North American contribution to both sales and profits had fallen...

The major changes in product patterns were continued expansion in frozen foods, ice cream and tea, and a doubling in 10 years of interests in industrial food supplies (such as industrial fats). Unilever had also moved into "specialty products" for industrial use...

Turning to the future, Mr. Meij's first point was that growth in Europe would probably be at least one per cent below the previous rates, and perhaps as much as two or three per cent below...



sectors, including meat, chemicals and packaging. The strategy of moving into premium products in Europe would be continued in all product areas...

growing burden of tax (especially in West Germany). Commenting on suggestions that Unilever was over-dependent on the UK, a low-growth country, Mr. van den Hoven said that UK consumer spending was not only surprisingly high, but that margins from some of our UK businesses are greater than from the Continent...

On the other hand, Mr. Meij admitted that Lever Brothers had not been growing at a satisfactory rate, and considerable attention was being paid to getting things right.

Unilever was also going for growth through acquisition. Hence its purchase last year of National Starch and Chemical Corporation, which was "financially sound and excellently managed" and was providing 5 per cent of Unilever's total profits...

the U.S. than in Europe. Surveying the group's US interests, Mr. Meij said Lipton was a market leader (in such products as tea and dry soups). Mr. van den Hoven added that Lipton (which is unconnected with the UK supermarket chain of that name) was also number two in the very large salad dressings market...

Unilever's research efforts (currently running at about \$250m) were being largely concentrated on improving existing products and processes. Mr. Meij expected Unilever's cash flow to continue to be sufficient for its growth needs...

Unilever's research efforts (currently running at about \$250m) were being largely concentrated on improving existing products and processes. Mr. Meij expected Unilever's cash flow to continue to be sufficient for its growth needs...

its existing product groups, in a known technology and distribution pattern. "The risks of further diversification would be very considerable," he said. Consumer products would continue to account for between 60 and 70 per cent of sales, with the "overseas" sector growing faster than Europe...

Unilever's research efforts (currently running at about \$250m) were being largely concentrated on improving existing products and processes. Mr. Meij expected Unilever's cash flow to continue to be sufficient for its growth needs...

Unilever's research efforts (currently running at about \$250m) were being largely concentrated on improving existing products and processes. Mr. Meij expected Unilever's cash flow to continue to be sufficient for its growth needs...

BUSINESS PROBLEM BY OUR LEGAL STAFF

Employee's notice

In the event of a closing down of a business where an employee is resident as rent free tenant of a house within the grounds of the works premises can you advise on (a) the form of notice to the tenant to vacate the property and (b) the period of time required by law for such notice to become effective...

YOU MIGHT be forgiven for believing that a document is either published or it isn't.

Grey literature, according to a recently established definition, is material which is not issued through normal commercial publication channels—which means it is usually very difficult to gain access to it. The problem is that such publications enter a strange limbo known only to a very few people and it means that others, who may be very interested in the information they contain, will seldom stumble across them even after the most thorough research.



reference papers which have not been published in a learned journal. In addition there are many sources of scientific, technical and economic information which only "semi-publish" their work.

Bringing grey literature in from the cold

BY JASON CRISP

make it not worthwhile publishing commercially. The Commission of European Communities has turned its mind to the problems of grey literature on the grounds that information is a valuable commodity—especially in Western society—and that available documents should not be lost to those who could use them because they are unaware of their existence.

According to John Gibb, head of the Commission's Department for the Dissemination of Research Results, once a database was established it would be possible to produce catalogues based on the information gathered, although eventually all access would be direct, by computer.

Although the database would only contain the most fundamental information—title, author, corporate author and where to get it, as well as an identifying code—it could be offered to secondary abstracting and indexing services, and included the York conference Pilot.

It will obviously be some years before the "grey" literature of Europe automatically becomes recognised at a central point. Only new publications would be recorded, because of its impossibility of collecting existing work and because of the relatively short life of much research.

The limiting factor to the establishment of databases of grey literature is not the technology but the problem of building up the information, says Gibb. Which means that the producers of the semi-published works will need educating to the possibilities of registering their material.

Technical News

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

Cement and glass make new board

COMPLETION has been announced by TAC Construction Materials (Turner and Newall Group) of a major £3m investment programme at Widnes, covering a production facility for new types of glass reinforced cement (GRC) sheet and for asbestos-cement slates.

Pump maker bids for growth

A NEW range of pumps, new test house facilities and latest acquisition of scientific and numerically-controlled machine tools to supplement the main machine shop, are some of the moves made by SSP Pumps (part of Mono Group), Birch Road, Lottridge Drive, Eastbourne, East Sussex BN23 6PQ (0323 27787) to increase its share of the market.

DATA PROCESSING CDC's new giant

LIKE THE reports of Mark Twain's death, those of the coming demise of the very large computer are greatly exaggerated, and Control Data Corporation is the early part of the 60s for its work on big, advanced scientific machines, is continuing to pursue their development.

Easily-used fine wires

DEVELOPED IN Sweden by Orebro Kabel AB, insulated fine wires in 24, 28, 32 and 30 AWG with particularly good "simultaneous cut, strip and wrap properties" have been introduced by the British associate, Selbac Cables of Litherland, Merseyside.

Resistive tape finds the level

AN UNUSUAL type of tank contents measuring gauge made by Metritape in the U.S. is offered in the UK by Marine Ventures of London.

Roadside weight check

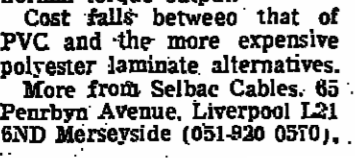
A MEANS of rapidly checking commercial vehicle loading at the roadside, with minimum delay and inconvenience to the driver is offered in a system developed by Mangood.

WAREHOUSING SERVICE IN SWEDEN

A Swedish company has introduced a range of modern warehouses now available for short-term operating staff on site, or through local distributors, invoicing, and other administrative services if necessary.

FREE COMPUTER BOOK

THE IMPACT OF COMPUTERS ON SOCIETY SEEN FROM THE WESTERN VIEWPOINT By Lord Avebury. Published in November 1978. This book examines the range of possible effects that computers are likely to have in western society.



Building Societies

Like other financial institutions, the building societies were beset last year by a number of problems — not least fluctuating interest rates and an official ceiling on lending. Demand for home ownership remains strong, however, and the societies will be hoping for calmer conditions in the current year.

Trying to cope with demand

By Michael Cassell

THE BUILDING societies' impressive effort to help the spread of home ownership during 1978, disguised what for the industry itself was in many ways a troublesome year. As the societies pursued their fundamental role of attracting and lending out money for mortgages they found themselves deeply immersed in a succession of problems which they would rather not have encountered. By the start of 1979 few of the problems had been resolved.

Last year started well enough. The societies had notched up another year of records in 1977 and were in a good position to continue on the same path. They were recording a 14% net inflow of new savings, offering a competitive interest rate and working in a favourable

financial climate, with Minimum Lending Rate at 7 per cent and their own liquidity levels at an average 21 per cent. With the year only two weeks old, the societies felt able to reduce the mortgage rate to its lowest level for nearly five years and to predict that the level of home loans arranged in the next year was set to rise substantially.

While just about every other factor affecting their operations was set to change, however, the societies managed to honour their predictions on mortgage lending. During the past year the movement made about 800,000 home loans to house buyers a rise of over 60,000 on the previous 12 months. They actually advanced around £3.7bn, a 26 per cent increase on the 1977 record total of £2.9bn.

Of the 800,000 home buyers helped, an estimated 375,000 were buying property for the first time, representing a minor reduction on the record levels achieved at the start of the decade, but a trend to be expected as owner occupation continues to spread and the number of first-time purchasers falls. The societies were able to claim that they had enabled over 3m families to purchase their first homes in the 10 years up to the end of 1978.

But almost from the very beginning of last year conditions for the societies became less favourable and their problems

began to mount. Political dilemmas also figured strongly, with Government concern over house price inflation leading to the largely unwelcome imposition of lending ceilings and with the collapse of the Grays Building Society — regarded as a "blemish" on the industry's history.

Targets

It is to their credit that despite the sharp change in climate to which the societies were subjected and their necessary preoccupation with a wider set of problems, they stuck to and succeeded in meeting their original targets.

The societies enter 1979 in a far less favourable position than the one existing twelve months ago and because of the heavy drain on resources experienced in 1978, the societies could face a potentially difficult time ahead.

In the short term they confront an MLR of 12½ per cent, which has led to the introduction of the second highest mortgage rate on record (11½ per cent) and now find themselves with an average liquidity level down to around 17 per cent and still falling.

The figures show that the societies took in about £3.3bn in net receipts during 1978 (against £4.7bn in the previous year) although they managed to advance nearly £2bn more than in 1977. To achieve this it was

necessary for them to add about £1.7bn of liquid funds to repayments of principal, a course they will be very anxious to avoid during 1979.

Competition from other investment institutions is particularly strong and it seems unlikely that the societies will be able to contemplate any further significant increase in lending until a decline in interest rates generally improves their own competitive position.

They are at least fairly confident that with the rate of house price increases becoming more normal, lending levels need not be subjected to the type of arbitrary reductions imposed last year following the Government's intervention.

Whether the societies are forced to trim lending programmes because of a continuing shortage of new funds and a reluctance to cushion advances with liquidity remains to be seen however. The go-ahead for further interest rate rises would not seem very likely in front of a seemingly now inevitable general election.

The societies are also well aware that demand for loans has shown no sign of falling off, despite the recent rises in the cost of home loans and the substantial increases recorded in average house prices. It is tempting to suggest that perhaps the societies and various governments have conspired to create a demand with which,

despite past successes, they are unable to cope.

The queues for mortgages remain long and impatient, constantly tarnishing the societies' laudible efforts, and the desire for owner occupation grows increasingly strong. With 54 per cent of the country's housing stock now privately owned, the opportunities for further growth of privately owned tenure can hardly be said to have been exhausted.

How the societies can begin to cope with the demand remains one of their most pressing problems. The chief executive of one of the major societies recently predicted that it would double in the next five years. Mr. Alan Mason of the Provincial suggested that advances would very soon exceed 1m in number and that it was not unreasonable to assume that by 1984 mortgage advances would be £14bn.

Mr. Mason, whose views about which way the societies must move in order to maintain their past successes are not universally shared, does not necessarily believe that these figures will be achieved but is convinced that demand will justify a lending programme of this magnitude.

Neither will some of his suggestions for securing an adequate and constant supply of funds and for overcoming the apparent weakness of stable capital be accepted by all his

colleagues, but the debate would appear to be essential.

Few people would quarrel with Mr. Mason's assumption that the problem of raising funds sufficient to meet the future rate of mortgage demand and the prospect of competition for their traditional business from other quarters is going to represent a major task. There seems little doubt that, at least in some respects, the industry's structure will need to be changed, though its fundamental role should remain the same.

The proposals that in order to encourage larger investments and greater stability by offering nominal interest on smaller and expensive-to-service accounts is not new, but it is the type of option which societies will soon have to examine.

Potential

Calls last year from the Governor of the Bank of England for societies to examine the potential for tapping money from institutions and to look to the wholesale money market as an alternative to the private individual will also provide considerable food for thought, though such developments—also envisaged in the Housing Policy Review—would be considered by many societies to remain a long way off.

Some believe a great deal can and should be done to attract more funds from the industry's traditional sources, at least par-

tially by offering a far wider range of financial services for investors—even if such a course involves what they would regard as an inevitable collision with the banks.

But 1978 will be remembered for the birth of two specific problems for the industry, the first being the Government's further intrusion into the industry's affairs in the shape of the agreement to set down quarterly mortgage lending ceilings. Having accepted for some time that interest rates charged by the industry can effectively be set by Ministers of the day, societies now have to face the fact that Government has also established a precedent for guiding future lending programmes and found another device for helping to contain inflation.

The societies publicly emphasise that the lending quotas have been mutually agreed and not been imposed from above. But behind their more private opposition to the scheme is a resolute denial that societies can be held primarily responsible for price movements in the housing market.

Perhaps the Government's intervention was the natural conclusion to a period in which the societies' reluctance to incur the displeasure of Ministers, for fear of stirring up threats of tighter controls, had itself been instrumental in whittling away much of the independence they were so

anxious to protect. And despite the serious objections held by many societies expected to cooperate in the lending limit concept, few voices were publicly raised in opposition.

For the time being at least the lending ceilings remain in force, though the situation has changed dramatically since they were introduced. Societies are now struggling to raise sufficient funds rather than having to impose artificial constraints on lending. The irony is that for much of 1978 societies were not in any case able to lend up to the agreed limits without drawing heavily on liquid funds, a situation which remains with them at the start of 1979.

No review of the past year can overlook either the affair of the Grays, the details of which are now well recorded but from which the repercussions are still awaited.

The results of an inquiry into the £7m shortfall exposed in a small East London society is due in the spring, and whatever its conclusions the affair can be expected to lead to several changes in building society rules and regulations. The establishment of a fund to cover any similar incidents in future is also near.

So although the building society movement will in some respects be hoping to repeat or improve upon its performance in 1978, there will be elements of the past 12 months which it will clearly wish to leave behind.

Olivetti Systems. Intelligent enough to work on their own. Adaptable enough to join any network.

There's a new breed of distributed data processing systems. It comes from Olivetti.

Over 91,000 new Olivetti A5, A6, A7 and TC800 systems have been sold worldwide, spearheading the drive to data devolution.

Their programmability permits them to work independently or to integrate easily with almost any mainframe computer.

Their modularity allows enlargement of existing teleprocessing networks.

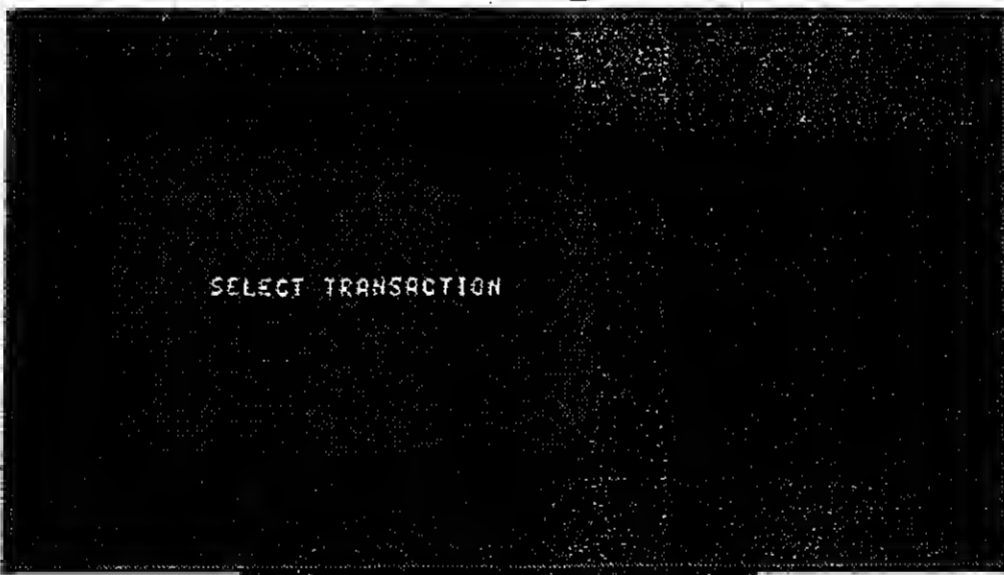
One of the Olivetti distributed processing systems is the TC800, an intelligent modular terminal system with a difference.

It can be configured to cope with most of the jobs previously the preserve of larger and more costly computer systems. And it can switch roles from hour to hour, the system adapting to the people who use it.

All of which has already made the TC800 the ideal intelligent terminal system for finance, government and industry.

Olivetti has installed throughout the world over 80,000 terminals and 180,000 systems for data and word processing applications, over 165,000 teleprinters and 330,000 accounting machines.

olivetti



To: Valerie Belfer, British Olivetti Limited, 30 Berkeley Square, London W1X 6AH. Please send me details of your Olivetti systems.

Name _____
Position _____
Company _____
Address _____



BUILDING SOCIETIES II

Leaders take a closer look at opportunities in Europe

A LEADING Bausparkass — the nearest German equivalent to a UK building society — has recently established an experimental office in Luxembourg. On its own that may seem a small and perhaps unexciting step but its purpose was plain and the implications could be highly significant. The Luxembourg venture, in fact, is the first practical example of activity across EEC frontiers in the politically sensitive field of housing finance.

Up to now building societies — and similar institutions elsewhere in Europe — have operated strictly within national boundaries. UK Societies may have outgrown their provisional origins but until recently their relevance beyond Dover had not been seriously considered. But just as banks and insurance companies have for some time now been spreading their wings abroad, the day when the Halifax or Nationwide open their doors to customers in France or Belgium may not be far off.

Ever since Britain joined the EEC in 1972, UK building societies have been discussing the possibilities of opening branches outside this country. But last year the debate began in earnest.

Two research groups, for example, were set up by the Building Societies Association (BSA) to look into the legal, financial and marketing complications which building societies will face when and if business begins on the Continent. The two countries which they have set out to examine are West Germany and Belgium.

In Belgium there is a big colony of UK expatriates centred round NATO and the EEC institutions. It is thought that this nucleus may provide a suitable customer base for the future. Moreover, if people did not wish actually to buy a house in Belgium, branches on their doorstep would afford a suitable opportunity to save for a day when they returned to the UK. The reasons for studying conditions in W. Germany are more nebulous. German thrift and prosperity are considered qual-

ties which should be compatible with the desire for home ownership and hence the establishment of branches could meet with a healthy response. The German Bausparkassen, meanwhile are a second only in size to the British building society movement which has assets of almost £40bn.

These studies — which are primarily a means of preparing the way for changes which will be needed in the law should be seen against a background of already well developed European contacts by British building societies.

Member

The BSA, for instance, is a member of the European Community Mortgage Federation (ECMF) and the European Federation of Savings and Loan Institutions for Construction (sometimes referred to as the European Federation of Building Societies — EFBS). The ECMF is the more broadly based and members are drawn from fields outside the housing sector, such as industry and shipping. The EFBS, on the other hand, is closer in spirit to the BSA while its make-up is much more specialist. The Federation's triennial Congress will be held in London next September, for the first time.

Another channel of information is the City EEC Committee which keeps the BSA (as one of the committee's members) in touch with the attitudes of other British institutions on questions of EEC policy.

Just how seriously building societies are taking the opportunities provided by fresh European partners can be seen by plans to hold a weekend seminar in the Midlands in March. The gathering will be opened by Mr. Christopher Tugendhat, the EEC Commissioner responsible for financial institutions, who has already expressed strong support for the principle of building societies commencing operations in Europe.

Despite all the talking, however, there are still a number of obstacles and we may be well

operate anywhere in the EEC. (Under the Treaty of Rome directives are intended to state the object which is to be advanced while the means of getting there is left to individual countries.)

The First Directive of December 1977, therefore, provided a framework within which supervision and controls can be worked out. The current banking Bill passing through the House of Commons is a direct result of this.

It is by no means certain that Community legislation is essential but a binding directive from Brussels would force the British Government to remove any obstacles to cross-border operations within 18 months. The major domestic restraint is vested in British law, which only allows societies to lend on freehold and leasehold property, a peculiarly British concept.

Expected

A second and potentially much more important EEC directive is widely expected in the next three to four years. This is likely to concern more specifically housing finance, although there may again be opportunities for the Government to defer action.

Once the legal hurdles are cleared, there remain numerous practical complications which building societies will have to face before opening branches on the Continent.

For example, the thorny problems of exchange control and currency fluctuations are two factors which potentially could inhibit the transfer of assets from one country to another. These are the sort of questions currently being discussed by the BSA's two research groups and on which a consensus has yet to emerge.

It is probable, however, that European operations would need to be self-financing, apart from the seed capital required to set them up. This would certainly assuage the fears of some observers that assets on a vast scale would leave the

country — an outcome incidentally which the BSA strongly refutes. "While societies would probably like to take in separate deposits in each country, the recent moves through the European Monetary System towards greater currency stability throw up the longer term possibility of building societies with a genuinely European asset base."

Meanwhile, the variety of approaches to housing finance in Europe provides another unknown quantity. While the imposition of a uniform system and detailed harmonisation of

ments in money market rates. In November 1978 MLR stood at 15 per cent while the mortgage rate stood at 12.25 per cent. A year later MLR had plummeted to 5 per cent and the mortgage rate had fallen to 9.5 per cent. Today MLR is back up to 12.5 per cent and the mortgage rate is standing at 11.75 per cent.

It is to the building societies' credit that they have been able to smooth out the very volatile swings in money market rates in between. This is evidenced by the fact that between 1974 and 1977 MLR changed 52 times yet building society rates moved only six times. However, during 1978 building society rates began to move more rapidly — changing three times compared with six moves in MLR. This trend seems likely to continue.

Committed

At the start of 1978 the building societies, in common with most other financial institutions, thought that they were moving into a period of more stable interest rates. After all, inflation

was on the way down, North Sea oil was bolstering the balance of payments, and the authorities seemed committed to a sensible monetary policy. In fact, many of the forecasts have come about. The rate of price inflation has stayed in single figures despite pessimistic forecasts to the contrary and sterling has remained firm for most of the year. However, few people could have anticipated the substantial rise in real interest rates which took place during the year.

In the first quarter of the year the building societies reduced their recommended share rate from 6 per cent to 5.5 per cent, reflecting the downward trend in interest rates. However, this was brought to a halt by the April Budget, with MLR being raised to 7 per cent as a gesture of the Government's firm intention to control monetary policy. However, it had only a short-term impact on the financial markets, which were becoming increasingly nervous, and as interest rates drifted higher the building societies became less

and less competitive, and their situation was exacerbated by the increased competition from National Savings.

By June the monthly inflow, which had been running at well over £200m per month at the end of 1977, had sunk to under £150m. Quickly the societies jacked up their net share rates to 6.7 per cent and everyone set back and waited for interest rates to fall back in the summer months. The authorities had put on the banking corset and this had previously led to falling interest rates.

But this failed to occur, and as U.S. rates began to move higher it slowly began to dawn on City observers that UK rates were not heading downhill but were once again about to rise. The three-month local authority rate — a good proxy for the expected level for the grossed-up share rate — moved up from 9 1/2 per cent at the end of August to 11 per cent by the end of October. By then, it was clear that the level of bank and building society rates was badly out of line with market rates, and

because advances generally amount to a smaller percentage of the purchase price of a house than in the UK, the balance must be found either from a savings bank (where rates vary) or a mortgage bank, which issues five- to seven-year fixed loans.

In France loans can be obtained from the banks or through deferred credit societies. The latter are again mutual but in this instance a saver is entitled to borrow half-way through an agreed savings period. In Denmark banks and mortgage credit institutions

issue bonds which borrowers sell, usually at a discount, in order to acquire funds.

The BSA's researchers will continue to study operations in other countries, although the areas thought to have most potential, like Belgium and West Germany, will come under the microscope first. The timetable from now on is impossible to predict but the last 12 months have seen a significant advance in preparation and further confirmation of the building society movement's European intentions.

Tim Dickson

Interest rates dilemma

From Britannia Building Society

Extra interest, more choice.

NEW High interest, flexible Escalator Bonds.

Earn extra interest that increases each year, for five years. And still retain the flexibility to withdraw your capital after 1, 2, 3 or 4 years. Escalator Bonds pay up to 2 1/4% extra interest above the ordinary share rate (currently at 8%) in the fifth year. Should the ordinary share rate change the extra differential is guaranteed. The table shows the interest rate year by year, based on the current ordinary share rate.

1st YEAR	2nd YEAR	3rd YEAR	4th YEAR	5th YEAR
EXTRA 1%	EXTRA 2%	EXTRA 3%	EXTRA 4%	EXTRA 2 1/4%
8.25%	8.75%	9.25%	9.75%	10.25%
12.31%	13.06%	13.81%	14.55%	15.30%

*Gross equivalent to those liable to tax at the basic rate of 33%. Interest can be paid monthly or half-yearly in a variety of ways: (i) By transfer into a Britannia ordinary share account where it will earn even more interest (currently at 8% per annum). (ii) Directly into your bank account. (iii) By cheque, paid half-yearly. (iv) By cheque, paid monthly (minimum investment £1,000). Normal minimum investment £500. Maximum £15,000. Joint accounts £30,000.

NEW Extra interest at only 3 months notice.

Earn 8 1/2% interest at just three months notice of withdrawal with new Britannia 'Shares at Notice'. That's 1/2% above the current ordinary share rate (8%) and even if this rate changes the extra 1/2% differential is guaranteed.

Extra interest guaranteed at only three months notice of withdrawal.

8.50%	12.69%
-------	--------

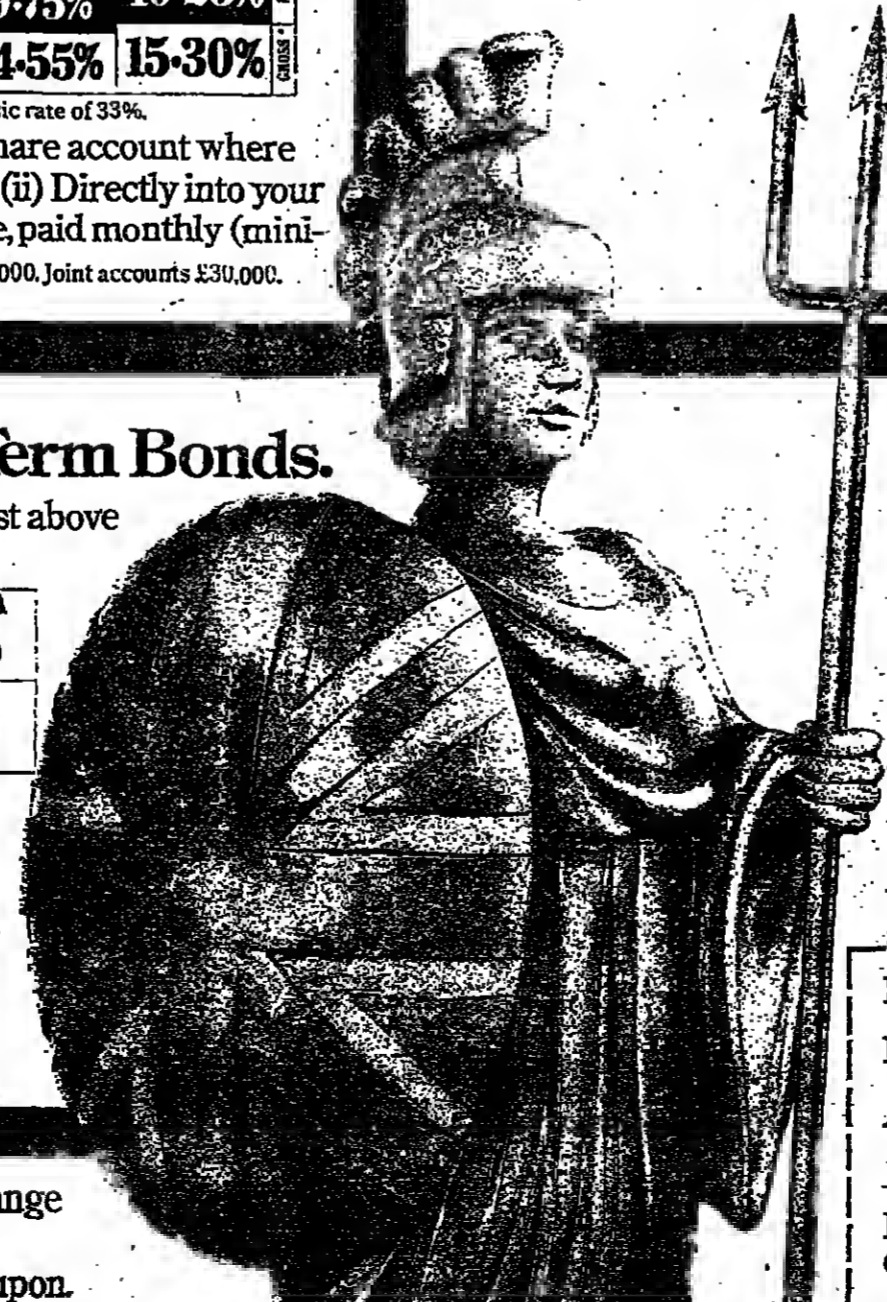
*Gross equivalent to those liable to tax at the basic rate of 33%. You can also add to your capital, any amount at any time. Minimum investment £500. Maximum £15,000. Joint accounts £30,000.

NEW Monthly income options on Term Bonds.

Britannia Term Bonds offer you guaranteed extra interest above the ordinary share rate (currently 8%) as follows:-

	NET	GROSS*	EXTRA
2 YEAR TERM BONDS	8.50%	12.69%	1/2%
3 YEAR TERM BONDS	9.00%	13.43%	1%

*Gross equivalent to those liable to basic rate tax at 33%. And now, with a minimum investment of £1,000, your interest can be paid monthly in the following ways: (i) Directly into a Britannia ordinary share account where it will go on earning interest but will allow you the flexibility of withdrawal. (ii) By cheque, monthly. Maximum investment £15,000. Joint accounts £30,000.



Britannia Building Society

For people who know about saving.

Please send me details of your full range of savings schemes.

Name _____

Address _____

Post to: Britannia Building Society, Chief Office, Newton House, Cheadle Road, Leek, Staffs. ST13 5RG. Tel: 0538 385131.

For full details of these new schemes for 1979, plus our full range of services, visit your local Britannia branch (you'll find our address in the telephone directory), or simply return the coupon.

Fears about house prices recede

HOUSE PRICES in 1978 took their biggest leap forward since the chaotic days of 1972. But to the relief of everyone involved — from Ministers and building societies in the public at large — there was no repeat of the alarming increases recorded six years earlier when the average cost of a home rose by nearly a half.

Some observers believed there was never any chance of a repeat of 1972, while others — notably members of the Government — were not prepared to take any chances. They foresaw rapidly escalating house prices as an electoral albatross, decided to ensure they should not occur, and once again opened up the debate on the part building societies play in determining house prices and the advisability of tampering with market forces in a highly complex field.

The debate apart, however, the question of house prices did not in the event blow up in the faces of any of the parties involved. Average rises of something in the region of 25-30 per cent (take your pick from the Nationwide estimate of 28 per cent, the Abbey's 27.5 per cent, or the Anglia Hastings and Thanet's 31.5 per cent) were apparently acceptable after the modest 8 per cent average increase recorded in the previous 12 months.

At what level house price inflation becomes "unacceptable" has never been defined but on the basis that all sides now believe, the market is settling down to more normal conditions and that the events of 1978 have passed without too much criticism, then the recent rise of around one-quarter in average prices clearly falls within acceptable limits.

It would indeed be interesting to see whether a continuation of last year's trends — leading to an overall repetition of the 1978 average rises — would also be acceptable because it was spread over a further 12 months

Explosion

The Government first began to take a closer than usual interest in the societies' planned lending programme and the private housing market at the beginning of 1978. According to the Department of the Environment, average prices for new homes had, since the end of the previous year, been accelerating at a rate three times higher than earlier in 1977. Its view was that if the process was allowed to continue, a house price explosion was unavoidable.

Even while Ministers were attempting to cool down the situation by suggesting that average price rises in 1978 would be contained to no more

than 10 per cent or 11 per cent, they were becoming convinced that something more was required — and quickly. In the event they were by March telling the societies that the record £720m a month lending target decided upon in January, and approved by the Government, would have to be cut back in an attempt to take the heat out of the market.

The societies' response was predictable. They claimed that the housing market was experiencing a readjustment as a result of some fundamental changes in the economic climate — something which was as predictable and harmless as people's desire to own their own homes.

Declining living standards had been sharply reversed, encouraging people to improve their living conditions, and the cost of mortgage finance had fallen back to 8.5 per cent from its 1977 peak of 12.25 per cent — a reduction which meant that for a given monthly repayment the borrower could afford a 30 per cent larger loan.

These factors, the societies claimed, combined with the fact that house prices were cheap in relation to earnings and prices, were leading to some necessary and inevitable adjustments. The availability of mortgage finance was nothing more than a factor to be considered in any assessment of the situation.

The Government's attitude was equally predictable. Whether or not it agreed with the assessment it could not be sure of the end-result and once the additional element of "panic buying" had been thrown in, it decided to take action in the only area it could. The societies may only have been one factor in the equation but a curb on mortgage finance was seen as a way, however unfair, of dampening down the situation.

In calling for a 10 per cent cut in loans, Ministers were gambling on the fact that esca-

lating prices were electorally more damaging than a shortage of home loans. They may well prove to have ended up somewhere in the middle, with substantial price rises being accompanied by lengthy waiting lists for mortgages. Those waiting lists may well in any case have existed because of the societies' difficulties in attracting funds, but it could well be that the Government will be held responsible for the long mortgage delays.

Uneasy

The societies' uneasy compliance — based largely on bawling fears that prices just could rise wildly and that they would be held responsible — continued, although lending ceilings for the early part of 1979 have now been raised. They will, however, as was the case for much of last year, find it hard to lend up to figures which were originally supposed to be a barnes rather than a target.

The Government's reaction to how the private housing sector actually turned out last year remains something of a closely guarded secret — perhaps on the basis that the subject is best not discussed unless absolutely necessary. While Ministers cannot be too pleased with price rises of 25 per cent (some of 50 per cent) they are clearly relieved that 1978 did not present them with a major crisis on the housing front. The fact that an early election did not materialise may also have dulled their sensitivity on the issue.

Whether it was right to intervene, and what would have happened if the Government had not, will never be known, though the question remains very alive and may yet again be put to the test.

Michael Cassell

What does Jimmy Vinyl have in common with Jeremy Smythe — besides music?



AH&T Security!

Jimmy Vinyl goes for the unbeatable flexibility of an AH&T Share Account.

He gets good interest and maximum security. Plus the convenience of a day-to-day service, now, when he's going places. Jeremy Smythe goes for AH&T Monthly Income Bonds.

They give him a good interest cheque in the post every month. Over a million people go in for a savings plan from

Anglia Hastings & Thanet. They all enjoy AH&T Security. Come and join them. Today.

ANGLIA HASTINGS & THANET BUILDING SOCIETY

Assets exceed £1,400,000,000. Member of The Building Societies Association.

Head Office: Moulton Park, Northampton NN3 1NL. Tel: Northampton 495353. Administrative Centre: Thrift House, Collington Avenue, Bexhill-on-Sea, East Sussex TN39 3NQ. Tel: Bexhill-on-Sea 214580. For other offices see your Yellow Pages Telephone Directory. Also under "Anglia" and "Hastings & Thanet".

Dilemma

few people could understand why the Bank of England persisted in keeping MLR stuck at 14 per cent.

On November 2 Barclays Bank took the plunge and raised its base rate from 10 per cent to 14 per cent. The other banks quickly followed and less than a week later the Government had hoisted MLR to 12 per cent.

Finally the building societies moved. Although their new rates were not regarded as completely competitive with the new interest rate structure it was generally considered that interest rates would soon begin to fall and the competitive position of the societies would improve. As the weeks went by the prospect of an early fall in interest rates receded and the building societies now have to face up to the fact that their current interest rate structure might not be adequate to meet the demand for mortgage funds in the current year.

There are still some analysts in the City who believe that the next move in UK interest rates will be downwards — after all, MLR has fallen in the last six years every January. For the moment at least, bank lending seems to be growing undramatically and the Government's funding programme for 1978/79 has nearly been com-

pleted. All these factors should argue for easier money in the next few months but there are a number of impediments which make any forecasts difficult.

The first is the trend in US interest rates. Even though sterling is no longer so vulnerable because the UK is no longer running a massive trade deficit, UK interest rates are still sensitive to movements across the Atlantic. If US rates go still higher, then the likelihood is that sooner or later MLR will follow suit. Another important concern is the level of public spending next year and the size of the deficit that will have to be financed.

Equally important is the demand for bank credit. At the moment the combination of high interest rates and the supplementary special deposit scheme (the corset) is curbing bank lending, and the bullish scenario is that as the economy slows down later this year bank lending will fall off in sympathy which will enable the authorities to let interest rates move downwards.

However, the key unknown at the moment is the outturn in the growth of average earnings resulting from the current industrial unrest. If these work out at around 15 per cent per annum the private sector will have to dip into its pocket to

pay the wage bills. This will increase the demand for bank credit and force up interest rates.

This is the background against which the building societies enter the current year. Because of their size in the financial system they cannot afford to ignore the general level of interest rates. However, at the individual building society level there are increasing signs that pressures are building up for increased flexibility in the system of industry-wide recommended rates. Last year there was a period when some of the large building societies departed from the recommended rates for investment accounts because they felt they were making excessive profits.

To an outsider the system of standard rates smacks of a "cartel" and the clearing banks can legitimately argue that they would never be allowed to operate such a system. They did operate one during the 1960s and the only way they could compete was through expanding their branch networks. This is something they have come to regret and all the clearing banks are now pruning their branches.

At the moment the building societies seem to be suffering a similar fate as the

recommended rate structure forces societies to compete by opening new branches all over the place. There are already signs that the societies are becoming less efficient as a result. For the most part this is being disguised by the heavy growth in the volume of business being transacted but if this ever tailed off for a prolonged period some societies could run into problems.

There are numerous ways that a more flexible rate structure could benefit both the societies and their customers. As bank charges go on increasing more and more people are using their building society branches as a substitute and the volume of transactions is increasing rapidly. One way the societies could curb the uneconomic use of building society accounts would be to charge higher rates if the account were left untouched for, say, one year. Societies already raise money via term shares, etc., but these vehicles could be considerably expanded.

In addition, there could be a case for allowing societies to tap the wholesale money market to tide them over a lean period for receipts. Rates offered there would differ substantially from the rates offered to the small depositor.

William Hall



"A Nationwide Capital Bond pays us guaranteed extra interest every month."

You've got some capital, but don't want to spend it. Put it to good use. Invest in a Nationwide Capital Bond.

Extra 1/2% interest for 4 years	9.00%	13.43% GROSS
Extra 1/2% interest for 3 years	9.00%	13.43% GROSS
Extra 1/2% interest for 2 years	8.50%	12.69% GROSS
Share Account	8.00%	11.94% GROSS

where your capital is guaranteed to earn extra interest above our prevailing Share Account rate.

You can invest any sum between £500 and £15,000 (£30,000 for a joint account) and leave it for 2, 3 or 4 years. A 2 year Nationwide Capital Bond pays 1/2% extra interest above the ordinary rate. A 3 or 4 year Bond pays 1% extra interest. And you can have your interest paid monthly.

There are over 375 Nationwide branches. Call in at the one nearest you, or post the coupon.

To: Nationwide Building Society, FREEPOST, London WC1V 6AA.

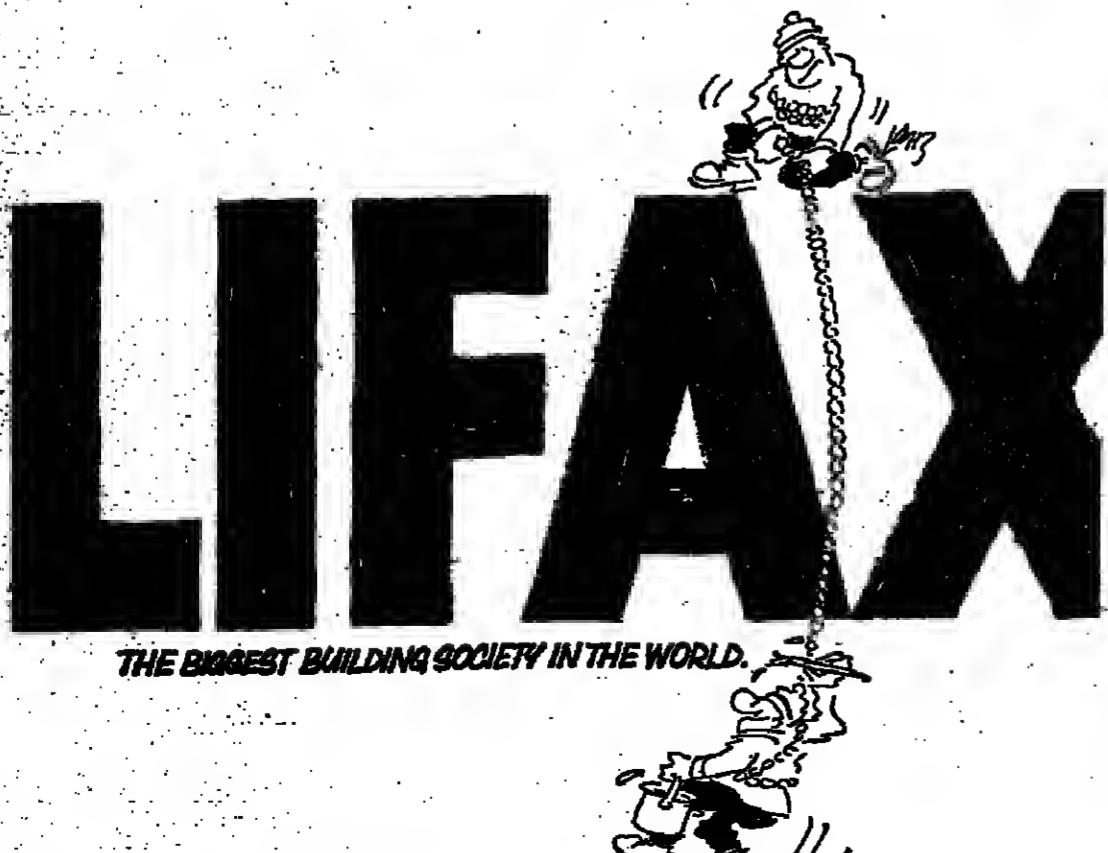
Please tick boxes:
 I invest in a Nationwide Capital Bond.
 Please pay interest at end of each month (rather than withdrawal from Capital Bonds only in event of holder's death.)
 I invest in a Nationwide Share Account.
 Interest to be compounded or paid half-yearly

Nationwide Building Society

Full Name(s) _____
 Address _____
 Date _____ FT3

It pays to decide Nationwide

Funds exceed £3,750 million. Authorised for investment by trustees. Member of the Building Societies Association.



Faster growth for Germany

THE MOST striking aspect of this year's economic forecast by the German Government is its pre-emptive, even defensive assertion that no additional measures of restraint are called for.

Indeed, the economic forecast is rather more bullish than the bare figure of a 4 per cent growth rate would suggest. Wages (including wage drift) may go up by 6 per cent this year, compared with 5 per cent last year.

A clear case for reform

ONE FACTOR that is often said to impede efforts to improve British industry's comparative performance is the complexity of its trade union structure.

The rivalry is long standing, but the roots of the present dispute go back to the railway pay restructuring agreement of 1974.

Iran: how the oil majors are trying to cope

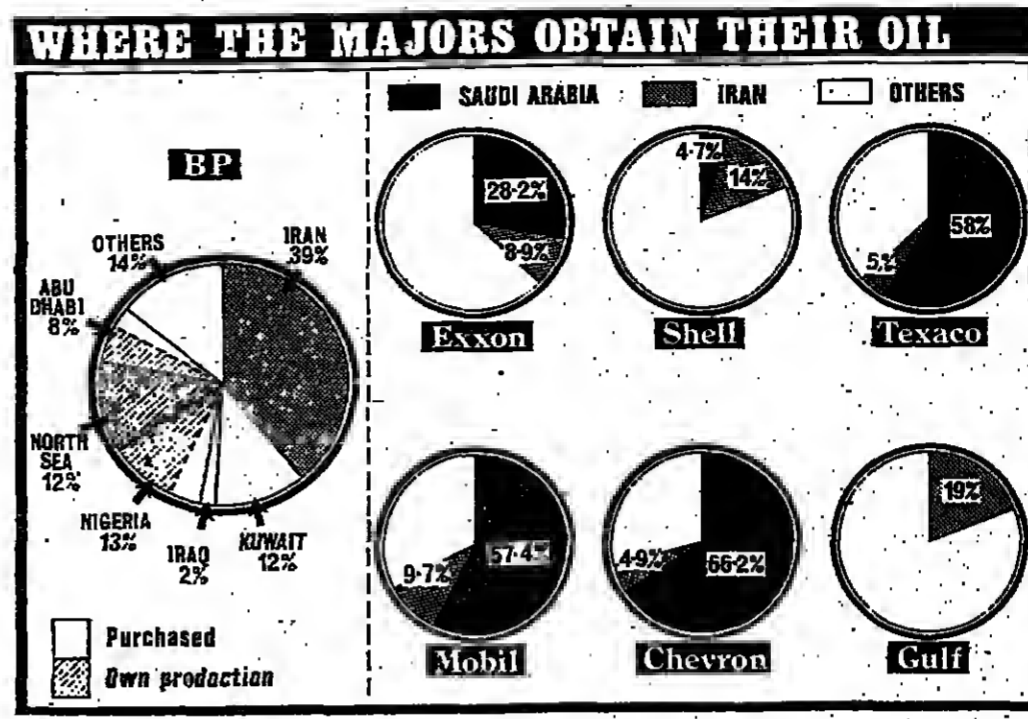
BY KEVIN DONE, Energy Correspondent

WHEN THE International Energy Agency compiles its next batch of statistics on world oil supplies at the end of the month, the picture that emerges will be the most serious to confront the oil-consuming nations since the Arab oil embargo of 1973-74.

Allocation scheme

The trigger of IEA's emergency allocation scheme will be pulled only if supplies to member countries fall by at least 7 per cent. That point is still to be reached, not least perhaps because the figures provided to the IEA by both member countries and by the international oil companies are on an historical basis.

Output by Iranian Oil Participants, the consortium of western oil companies responsible for producing nearly 40 per cent of the world's oil, had only climbed back to 350,000 barrels a day at the beginning of the week.



BP, with its 14 per cent share in the Iranian consortium and little access to Saudi production, and Gulf with 7 per cent in IOP, have also had to warn their crude oil customers to expect cuts in supplies—but nothing like the reductions forecast by BP.

The planning of crude oil supplies is an endlessly complicated process, but the fact that so little of the strain caused by the Iranian troubles has yet shown up in the retail oil markets is an illustration of both the flexibility of the system and of the length of the oil supply chain.

Different crudes

The crude oil explorers and purchasers can direct their efforts to acquiring assorted quantities of a variety of different crudes. The shippers, owning a fleet of vessels widely different in size and type, can also charter tankers according to market conditions.

before the Iranian troubles, is proving to be extremely tough. But BP holds one helpful negotiating card in its access to the particularly sought-after lighter crudes of the North Sea, especially the Forties Field.

Far more important to the overall oil supply picture are the actions of Saudi Arabia. It has set an annual limit to its production of 8.5m barrels a day. But this is an average level. For much of 1978, while the temporary glut of oil supplies continued, production was far below this.

Spot market ruled out

BP has traditionally been a major crude oil trader, having supplies well in excess of the demands of its own refining companies. Only some 60 per cent of its crude oil goes to associated companies in the group.

The Saudi position is still to be clarified, but the rumour has sent further tremors through the oil market. For the immediate future the effects of the loss of Iranian production are not likely to be observed by consumers in the industrialised world as long as Saudi production holds up.

MEN AND MATTERS

Five wise men in Brussels web

There was surprise all round two years ago when James Callaghan announced that Roy Jenkins, then president-designate of the European Commission, would be overhauling the institution's cumbersome working methods.

Now it has been resurrected by Jenkins himself, who hardly makes secret his impatience with the Brussels way of doing things. A panel, already known as the Five Wise Men, has been asked to report within six months on how to make the machine tick over more smoothly.

Eurocrats are hardly going to be pleased at our inspection of the spider's web of regulations which make it almost impossible to sack anyone, or to promote the young and able.

It is also clear that the dispute would have been less damaging to rail users and might not have arisen at all had there been a single rail union.

If you want to print and publish an Arabic magazine in Europe, the best place is London. That is the verdict of Zella Drax, now preparing to launch a glossy magazine named Sheba.

Being said to have a house next to one said to be owned by the Shah of Iran is not so popular these days. There was a sharp response when this column

Safety in numbers

Those able to drag themselves away from the Design Centre's Materials on the Move exhibition—with its special emphasis on the use of robots in a hostile environment—turned northwards yesterday to the pool of light offered at the 35th annual Amusement Trades Exhibition at Alexandra Palace.

At least in gambling, Britain still rules the waves, it seems, on the stand boasting the name of the Edward Thompson Group of Sunderland, one smiling man told me proudly that the company had this week managed to send off 17m bingo cards to Oslo in a seaborne container, and a further 10m are being freighted to Holland to day.

"Bingo," said the Edward Thompson man, "has a strong international following." At least some of the inhabitants of Sunderland are kept busy serving the world with 200m bingo cards a week.

Formerly principal private secretary to Employment Minister Albert Booth—A very nice man, she told me—she now administers 69 Skillcentres throughout Britain and the MSC direct training services to industry. I asked her if she felt it right that the 25,000 people trained at Skillcentres last year, only 817 were women.

"Definitely not," she said. "We would welcome more girls taking training in crafts. She sees her immediate task as consolidating what has been achieved, while widening the range of the Skillcentres.

Dark-haired and attractive, Jenny Bacon lives alone and spends much of her spare time at the opera. Would she call herself a woman's libber? "I've no

wish to tear off my underwear in public," she replied. "It's a matter for each individual."

Yesterday's weather was something of a disappointment to Jenny Bacon, because the snow stopped her going to work as usual by bike-six miles across London from Islington to Victoria. But it was some solace that at 33 she has this week been put in charge of a national organisation with an annual budget of £54m.

Jenny Bacon, a product of Bedales and Cambridge, is now Controller of training services for the Manpower Services Commission. She is probably the youngest civil servant of assistant secretary rank, with a salary of more than £10,000.

Some representations from Vogue, the name was changed. She is now opening offices in Covent Garden and a glossy dummy issue is going the rounds of the advertising agencies.

Dear Finance Director

Although you trust your advisers, do you also like to work things out for yourself? Take your pension fund. Are you now starting to ask such questions as: Is the cost properly assessed? Is our money sensibly invested? Can we give better protection to pensioners? Were we right about contracting out?

These subjects are covered in our half day seminars on pension scheme finance now being held monthly in London and elsewhere for invited groups. We use slide presentations, invite discussion and there is no charge.

Please write or telephone for particulars.

Yours sincerely, M. Paterson

MARTIN PATERSON ASSOCIATES LIMITED 10 Buckingham Place London SW1E 6HT Telephone 01-828 7243/9 also at Edinburgh (tel: 061 225 3324) and Dublin (tel: Dublin 682988)

Board change at Westland

THE RETIREMENT of Mr. Walter Oppenheimer as vice chairman and as an executive director of Westland Aircraft leaves the group with the job of finding a new finance director...

Mr. Basil Blackwell, Westland's chief executive, said yesterday that although Mr. Oppenheimer had served the group for 26 years...

At home the current year may be a lean time for hovercraft orders. Even so the Super 4, made by the group's subsidiary, British Hovercraft Corporation...

Kakuzi well down at nine months

Pre-tax profits of Kakuzi, coffee, tea and sisal grower, plantation owner and farmer were down from K1.66 to K1.069 in the nine months to November 30, 1978...

Liden shares slump as accounts are delayed

NEWS that the annual results of Liden Holdings are to be delayed for a month wiped almost a quarter off the group's stock market capitalisation yesterday.

Progress for Ldn. American International

With turnover higher at £258.59m, against £232.22m, pre-tax profits of London American International Corporation, a subsidiary of Midland Bank...

CHANGES TO CLEARING BANK ACCOUNTS

The Big Four drop "Leach-Lawson"

BY MICHAEL LAFFERTY

THE London clearing banks' announcement of changes to their accounting and disclosure policies mark the most significant development in UK bank accounting since 1970.

The starting point in the recent history of UK bank accounting policies is probably the Companies Act 1948 which entitles banks, as well as insurance and shipping companies...

The London and Scottish clearing banks responded in 1969 by agreeing to forego a majority of what became known as the "Leach-Lawson" rules...

Against a background of an 15 per cent rise in national motor vehicles sales, Dunlop South Africa lifted its own sales 18.8 per cent from R89m (£52m) to R106m (£61m) in 1978.

Dunlop SA up on 19% rise in sales

Against a background of an 15 per cent rise in national motor vehicles sales, Dunlop South Africa lifted its own sales 18.8 per cent from R89m (£52m) to R106m (£61m) in 1978.

Despite real growth in the mining industry demand for rubber conveyors continued to decline while sports goods were affected by imports, especially in the latter part of the year.

Hickson & Welch (HOLDINGS) LIMITED

Extracts from the 1978 Annual Report and Statement by the Chairman, Dr. T. Harrington

I stated in my last report that we expected to have difficulty in reaching the profit achieved in 1976/77. This turned out to be the case and the pre-tax profit for the year at £8.116m. was some 20% down on the previous year.

Our activities in these areas has provided a stabilising influence on your group's performance and here again we are seeking to expand our operations.

Future prospects There are many factors which make forecasting so difficult. However, my view is that if there is no major interruption to production and if pay levels can be kept within reasonable limits...

Table with 3 columns: Year ended 30th September, 1978, 1977. Rows include Group profit before taxation, Earnings for ordinary shareholders, Total ordinary dividend, Capital investment, etc.

*Calculated on 19,341,321 ordinary shares in issue following the increase in share capital during the year.

The full Annual Report and Chairman's Statement can be obtained from the Secretary, Castletford, West Yorkshire WF10 2JT.

CHEMICAL MANUFACTURERS HICKSON AND TIMBER PRESERVERS

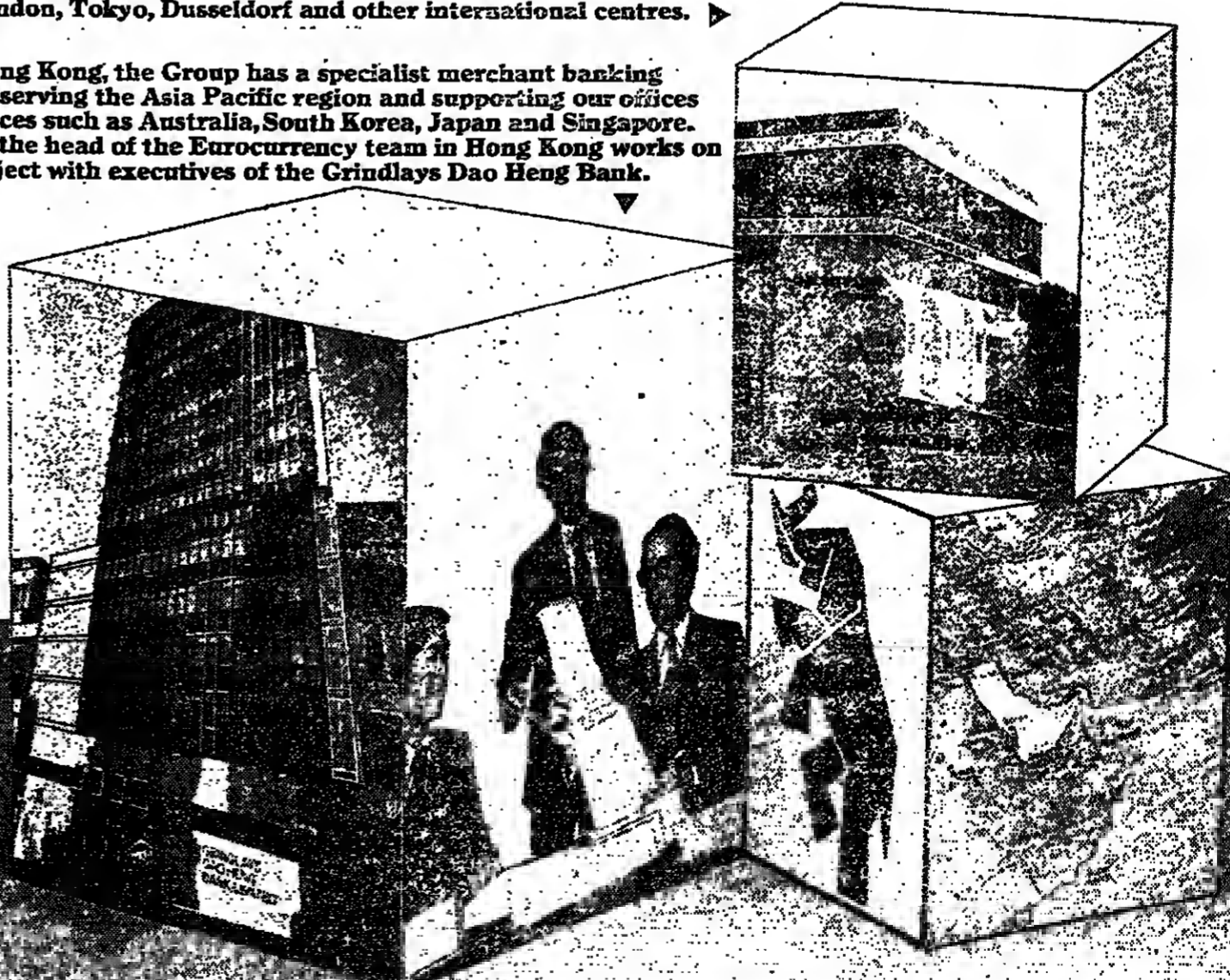
Grindlays

A name you can bank on around the world

Banking on Grindlays means more than taking advantage of the Group's network of branches in some 35 countries. It means working closely with our specialists in such fields as export finance, foreign exchange, eurocurrency finance, and corporate banking.

In the Gulf area Grindlays has one of the largest branch networks of any international bank with 20 branches serving the U.A.E., Bahrain, Oman and Qatar.

In Hong Kong, the Group has a specialist merchant banking team serving the Asia Pacific region and supporting our offices in places such as Australia, South Korea, Japan and Singapore.



Grindlays Bank Group

23 Fenchurch Street, London EC3P 3ED.

Mac Millan Bloedel Limited

9% Debentures Series J Due February 1, 1992

Take note that the Series J Debentures, the serial numbers of which are set out below, have been drawn for redemption and have not been claimed, and that the total amount of Series J Debentures outstanding on December 31, 1978 was U.S. \$47,100,000.

The Company's Paying Agencies are:

- Canadian Imperial Bank of Commerce, Toronto, Ontario M5L 1G9; Banque Generale du Luxembourg S.A., 14 Rue Aldringen, City of Luxembourg, Luxembourg; Canadian Imperial Bank of Commerce, 6000 Frankfurt-am-Main, West Germany; Banca Commerciale Italiana, 226 Via Del Corso, 09186 Rome, Italy; etc.

Table with 2 columns: Serial numbers of Series J Debentures called for redemption and not claimed are; 578, 3894, 4184, 4142, 4178, 4207, 4560, 18232, 18344, 16882, 1714, 4078, 4163, 2348, 4294, 4545, 18230, 18309, 16395, 49420.

CITIBANK, N.A., Trustee

UK COMPANY NEWS

Companies and Markets

Downturn at David Smith

ANNOUNCING A fall in pre-tax profits from £272,000 to £229,000 in the six months to October 31, 1978, Mr. A. S. Smith, chairman of David S. Smith (Holdings), says that an unofficial strike for more than four weeks resulted not only in a loss of production but also in a substantial loss of business.

Sales increase for Elson & Robbins

In the first quarter of the current year, turnover of Elson and Robbins was up from £4.9n to £5.05n and production at its main subsidiary, Domestic Industrial Pressings, was now running at record levels.

Greenall Whitley looking for faster profit growth

THE DIRECTORS of Greenall Whitley and Company, brewer and distiller, are looking for a faster growth of profits from its enlarged business following the merger last June with James Shipstone, says Mr. Christopher Hutton, the chairman, in his annual statement.

W. Williams outlook

In his interim statement, Mr. H. H. Williams, the chairman of W. Williams and Sons (Holdings) explaining that the severe action taken to offset the effects of strikes in the motor industry, together with consequent redundancy payments, is bound to hit profits in the short-term.

Quotation for Central Assets

Application has been granted by the Stock Exchange for a quotation by Central Assets, an off-shore fund specialising in short-term sterling money market investments.

Receiver for A. Long

Mr. B. H. Larkins has been appointed receiver and manager to A. Long and Co., the Wembley-based constructional equipment engineers.

ing with a view to a sale of assets on a going-concern basis, Mr. Larkins says. The position regarding orders placed by the company prior to his appointment is still being considered. However, he undertakes to pay for any goods and services supplied pursuant to orders signed by him or his representatives.

ISSUE NEWS

issue of local authority loans jumped to 12 1/2 per cent, its highest level for two years. The rate last week was 12 per cent.

LOCAL AUTHORITY BOND RATE 12 1/2%

The interest rate on this week's issue of local authority loans jumped to 12 1/2 per cent, its highest level for two years. The rate last week was 12 per cent.

China-Sweden co-operation

THE Chinese vice-premier Geng Biao told a Swedish metallurgy delegation in Peking yesterday that China hopes for long-term cooperation with Sweden in developing mining.

BOUGAINVILLE'S 1978 OUTPUT

Final quarter 1978 production figures from the Rio Tinto-Zinc group's big Bougainville open-pit mine in Papua New Guinea confirm the half-time promise of a better year.

SHARE STAKES

Fine Art Developments - D. T. Barnes, director, and G. E. Barnes, director, have each sold 120,000 shares.

Australia's MIM has a good half-year

BY KENNETH MARSTON, MINING EDITOR

GOOD half-year results come from Australia's leading producer of base metals, MIM Holdings. Net profits for the 24 weeks to December 17 amount to A\$26.2m (£14.9m) and the interim dividend is raised to 4.6 cents (2.6p) from 3 cents a year ago.

Freddie's marks time

ONE OF South Africa's smaller mining finance houses, Free State Development and Investment ("Freddie's"), announces a rather disappointing net profit for the six months to December 31.

Noranda's plans for Koongarra uranium

A COMPLETE revision of the plans for mining the Koongarra uranium deposit in Australia's Northern Territory has been made by Noranda Australia in an attempt to gain approval for development from the Australian Government.

MINING NEWS

Western Mining hits more ore at Olympic Dam

AUSTRALIA'S Western Mining Corporation is continuing to find encouraging mineralisation at its big Olympic Dam copper-uranium prospect at Roxby Downs in South Australia. The results of two further drill holes are contained in the latest quarterly report.

Noranda's plans for Koongarra uranium

A COMPLETE revision of the plans for mining the Koongarra uranium deposit in Australia's Northern Territory has been made by Noranda Australia in an attempt to gain approval for development from the Australian Government.

NEW HOLDINGS IN ASHTON

Australian Government approvals have now been received for the sale by Sibeka of its 7 per cent stake in the Ashton diamond exploration venture which is headed by Conzinc Riontina of Australia.



FREE STATE DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

UNAUDITED RESULTS OF THE COMPANY FOR THE HALF-YEAR ENDED 31 DECEMBER 1978

Table with 3 columns: 6 months ended, 6 months ended, Year ended. Rows include Net revenue excluding profit or loss on realisation of investments, Profit on realisation of investments, Profit before taxation, Taxation, Profit after taxation, Dividends for previous year, Net asset value per share.

INVESTMENT PORTFOLIO

During the six months ended 31 December 1978 the Company purchased 10,000 ordinary shares in Winkelhaak Mines Limited and acquired an additional block of 4,000 ordinary shares in Bougainville Development Company Limited.

- NOTES: 1. An interim dividend (No. 13) of 5c per share (January 1978-4c) was declared on 23 January 1978. 2. The net asset value for the half-year is calculated before payment of the interim dividend.

Head Office and Registered Office: On behalf of the Board Consolidated Building, B. J. JACKSON, R. T. SWEMMER, Directors

Epicure property sales

Epicure Holdings has sold The Queen Hotel, Lincoln to Associated Newspapers subsidiary, Associated Restaurants for £330,000 cash.

LEAD INDUSTRIES

Following the Lead Industries Group announcement on December 22, 1978, about the proposed acquisition of the Oster Group of Companies in Rhode Island, U.S.A., the necessary consents have been obtained and all other conditions satisfied; the acquisition has now been completed.

BROWN SHIPLEY

Brown Shipley and Company has formed a wholly owned subsidiary, Brown Shipley Factors, which has commenced business as recourse factors operating from Harlands House, Haywards Heath, Michael E. Mills has been appointed managing director.

SHARE STAKES

Fine Art Developments - D. T. Barnes, director, and G. E. Barnes, director, have each sold 120,000 shares.

DELSON

"When I made my first half-yearly report I forecast annual profits in excess of £75,000. In the event I am pleased to report a pre-tax profit for the year ending 31st July 1978 of £102,225."

Your Board faces the future with confidence. Kenneth Frazier, F.C.A., Chairman

Table with 3 columns: 31.7.78, 31.7.77. Rows include Turnover, Profit before tax, Profit after tax, Dividends per share, Earnings per share.

The Annual General Meeting of the Company will be held at Edmond House, Newhall Street, Birmingham, at 11.30 am on Friday, 16th February, 1979.

Republic National Bank of New York

Consolidated Statement of Condition December 31, 1978

Table with 2 columns: ASSETS, LIABILITIES AND STOCKHOLDER'S EQUITY. Rows include Cash and demand accounts, Interest bearing deposits with banks, Precious metals, Investment securities, Federal funds sold and securities purchased, Loans, net of unearned income, Allowance for possible loan losses, Customers' liability under acceptances, Bank premises and equipment, Accrued interest receivable, Other assets.

Table with 2 columns: REPUBLIC NEW YORK CORPORATION, SUMMARY OF RESULTS. Rows include Income before securities gains (losses), Net income, Earnings per share of common stock, Income before securities gains (losses), Primary, Fully diluted, Net income, Primary, Fully diluted, Dividends declared.

The total investment in precious metals and the precious metal content of silver coins were substantially hedged by forward sales. The unhedged portion of this investment was \$4.2 million at December 31, 1978.

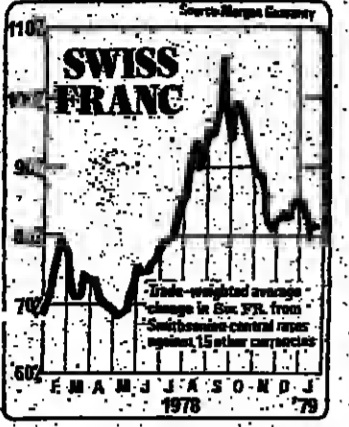
A subsidiary of REPUBLIC NEW YORK CORPORATION

Table with 2 columns: Years Ended, Three Months Ended. Rows include Income before securities gains (losses), Net income, Earnings per share of common stock, Income before securities gains (losses), Primary, Fully diluted, Net income, Primary, Fully diluted, Dividends declared.

5th Avenue at 40th Street, New York, New York 10018 Member Federal Reserve System/Member Federal Deposit Insurance Corporation New York • London • Nassau • Cayman Islands (19 cities in Manhattan, Brooklyn, Queens, & Suffolk County) An affiliate of TRADE DEVELOPMENT BANK HOLDING S.A. Luxembourg

Pound steady in subdued trading

Trading in yesterday's foreign exchange market did not display the effects of a national train strike and severe weather conditions. Consequently activity remained at a low level, with little in the way of fresh news to affect conditions.



Swiss Franc - The dollar was fixed at DM 1.9443 at yesterday's closing, slightly up from Monday's level of DM 1.9410, and there was no intervention at this time by the Bundesbank.

NEW YORK - Conditions were generally inactive ahead of President Carter's economic statement to Congress on Thursday, and the dollar edged slightly firmer. About mid-morning it stood at DM 1.9492 up from DM 1.8432 late on Monday.

Table: THE POUND SPOT and FORWARD AGAINST £. Columns include Jan. 23, Bid, Ask, Day's Spread, Close, One month, % p.a., Three months, % p.a.

Table: THE DOLLAR SPOT AND FORWARD. Columns include Jan. 23, Bid, Ask, Day's Spread, Close, One month, % p.a., Three months, % p.a.

Table: CURRENCY RATES and CURRENCY MOVEMENTS. Columns include Currency, Rate, and Movement.

Table: OTHER MARKETS. Columns include Country, Rate, and Notes.

Table: EXCHANGE CROSS RATES. Columns include Jan. 23, Pound Sterling, U.S. Dollar, Deutschemark, Japanese Yen, etc.

Table: EURO-CURRENCY INTEREST RATES. Columns include Jan. 23, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, etc.

INTERNATIONAL MONEY MARKET Dutch call money rate cut - The official Dutch call money rate was cut yesterday from 6 1/2 per cent to 5 1/2 per cent. This reflects the rather full credit conditions prevailing at the moment.

WEAKER Tendency - Gold lost \$3 1/2 an ounce in the London bullion market yesterday and closed at \$230 1/2. Trading was severely restricted by the weather conditions and yesterday's train strike.

UK MONEY MARKET Moderate assistance - Bank of England Minimum Lending Rate 5 1/2 per cent (since November 9, 1978). Initial forecasts pointed towards a shortage of credit in yesterday's money market.

Table: MONEY RATES. Columns include NEW YORK, GERMANY, FRANCE, JAPAN, etc.

New issue This advertisement appears as a matter of record only January 24, 1979



American Express International Banking Corporation

DM 70 000 000 5 1/2 % Bearer Bonds 1979/1987 (Subordinated to other liabilities) - Stock Index No. 484 330 - Offering Price: 100 %

Grid of bank logos and names including Dresdner Bank, American Express Bank, Deutsche Bank, Westdeutsche Landesbank Girozentrale, etc.

Mannesmann Precision Instruments Inc. an Indirect Wholly Owned Subsidiary of Mannesmann AG has acquired approximately 94% of Tally Corporation

INTERNATIONAL COMPANIES and FINANCE

24 Companies and Markets

NORTH AMERICAN NEWS

Change of strategy boosts Xerox

BY STEWART FLEMING IN NEW YORK

A 17 per cent rise in fourth-quarter earnings was reported yesterday by Xerox, the world's leading copier manufacturer...

Share price came under pressure as a result of analysts' concern that competition in the copier market would erode its growth...

Share analysts have expressed some reservations about the greater emphasis on increasing outright sales of equipment...

Mr. C. P. McCoolough, the chairman and chief executive, said the company achieved its cost objectives in 1978...

Boise Cascade in agreed \$135m merger

By Our New York Correspondent

BOISE CASCADE, one of the leading U.S. paper and forest products groups is planning to strengthen its paper operations with a \$135m merger with Stone Container...

TWA seeks fares rise after fourth quarter loss

By JOHN WYLES IN NEW YORK

TRANS WORLD AIRLINES, whose parent company has just announced an unexpected \$12.1m loss in the fourth quarter, has applied for a 7 per cent increase in transatlantic air fares...

Sperry Rand growth

By Our New York Correspondent

REFLECTING buoyant demand in the computer market, Sperry Rand reported a strong quarterly earnings gain...

Kimberly-Clark ahead

KIMBERLY-CLARK Corporation, the pulp paper maker, said income from operations in the U.S. rose 20 per cent to \$114.4m in 1978...

Caterpillar profits surge

BY OUR NEW YORK STAFF

CATERPILLAR, the earthmoving giant which is enjoying a business boom, reported a surge in profits for 1978, due mainly to strong last quarter results...

U.S. QUARTERLIES

Table with multiple columns showing financial data for various companies like AMFAC, CONSOLIDATED EDISON, CONTROL DATA, DETROIT EDISON, FIRST CHICAGO, FOREMOST-McKESON, HILTON HOTELS, HERCULES, INA CORPORATION, MERIDITH, REDMAN INDUSTRIES, TEXASGULF, TRANS-CANADA PIPELINES, UNION PACIFIC, WESTL B INTERNATIONAL S.A.

US\$ 300,000,000 Trade Credit Facility. INTERNATIONAL COMBUSTION AUSTRALIA LIMITED. STATE ELECTRICITY COMMISSION OF VICTORIA. WESTDEUTSCHE LANDESBANK GIROZENTRALE. KREDIETBANK N.V. CREDIT COMMERCIAL DE FRANCE. CANADIAN IMPERIAL BANK OF COMMERCE. CHEMICAL BANK. CONTINENTAL ILLINOIS LIMITED. LLOYDS BANK INTERNATIONAL LIMITED. MANUFACTURERS HANOVER LIMITED. MITSUBISHI BANK (EUROPE) S.A. NATIONAL WESTMINSTER BANK GROUP. Agent: WESTL B INTERNATIONAL S.A.

INTERNATIONAL CAPITAL MARKETS

Cooper Industries to buy stake in Gardner

By David Lascelles in New York

COOPER INDUSTRIES, the major producer of tools and compressors which has a business association with Gardner-Rexco, is to buy Gardner-Denver...

DM bonds slide further on Bundesbank measures

BY FRANCIS GHILES

WHILE PRICES in the dollar sector of the international bond market have firmed up a little, those in the Deutsche-Mark sector have continued to slide downwards...

Canada to raise \$500m in yen

BY VICTOR MACKIE AND FRANCIS GHILES

THE CANADIAN Government is negotiating loans of about \$500m (U.S.\$500m) with Japanese banks. This total is expected to be split into two separate operations...

Electrobras seeks \$400m loan

SEVERAL INTERNATIONAL banks have been invited to bid for a \$400m loan to the Brazilian state electricity agency, Electrobras...

Atlantic Richfield gain

By Our New York Staff

ATLANTIC RICHFIELD, the first oil major to report for 1978, said that net income rose 15 per cent to \$804.2m, equivalent to \$6.60 per share...

Canada to raise \$500m in yen

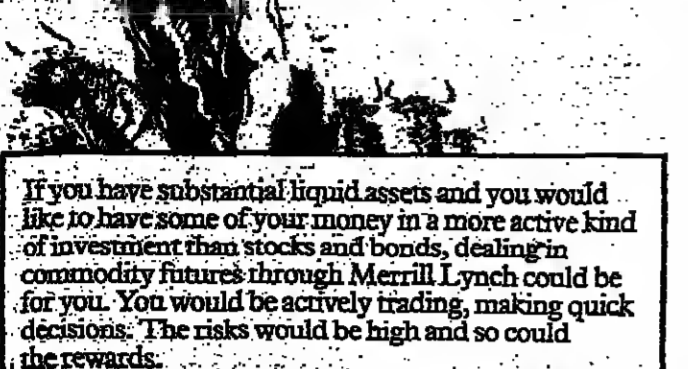
BY VICTOR MACKIE AND FRANCIS GHILES

THE CANADIAN Government is negotiating loans of about \$500m (U.S.\$500m) with Japanese banks. This total is expected to be split into two separate operations...

FT INTERNATIONAL BOND SERVICE

Table showing international bond issues for various countries including U.S. DOLLAR, OTHER STRAIGHTS, FLOATING RATE, CONVERTIBLE BONDS, STRAIGHTS, and YEN STRAIGHTS.

Commodities: Merrill Lynch's alternative for the aggressive investor



If you have substantial liquid assets and you would like to have some of your money in a more active kind of investment than stocks and bonds, dealing in commodity futures through Merrill Lynch could be for you.

Merrill Lynch Pierce, Fenner & Smith (Brokers & Dealers) Ltd. Form with fields for Name, Address, Country, Nationality, Telephone, Office, Home.

CLIVE INVESTMENTS LIMITED 1 Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101.

ALLEN HARVEY & ROSS INVEST MANAGEMENT LTD. 45 Cornhill, London, EC3V 3PB. Tel.: 01-623 6314.

Table with columns for Deposit Rate, Share Accounts, and Interest rates for various financial products.

Saudi Food Supplies and Supermarkets Corporation Limited. Project Financing partially guaranteed by Saudi Research and Development Corporation Limited (REDEC). US\$ 25,000,000 Loan and Guarantee Facility.

Companies and Markets

FIAT MANAGEMENT CHANGES

Keeping the emphasis on car production

BY PAUL BETTS IN ROME

WITH ITS top management reshuffle, the Fiat group gave eloquent confirmation yesterday of its intention to continue concentrating mainly on its traditional car production in coming years.

liquidly totalling some L550bn at the end of last year. But despite this improved financial position, Fiat, which has returned to profit largely as a result of its financial activities, is expected to report profits for last year similar to the L55bn reported in 1977.

Table: FIAT HOLDING SPA FINANCIAL POSITION AT DECEMBER 31, 1978. Includes sections for Short Liquidity Position, Medium and Long-Term Position, Intercompany, and Investments in Government Securities.

Lack of new orders worries Sulzer

BY JOHN WICKS IN ZURICH

SULZER BROTHERS, the Swiss engineering company, plans to start limited short-time working in its gas turbine and diesel engine plants unless new orders are received in the next few weeks.

Jaeger increases turnover

By Terry Dodsworth in Paris

JAEGER, the French vehicle instrumentation group, which is now moving rapidly into the clock- and watch-making industry, posted up consolidated turnover last year by 22 per cent to FFf 955m (\$222m).

Strong rise at Malayan Banking

BY WONG SULONG IN KUALA LUMPUR

AFTER-TAX profits of Malayan Banking Berhad, Malaysia's biggest banking group, rose by 42 per cent to 16.09m ringgit (U.S.\$7.3m) for the first-half, and directors predict that the second half, ending in June, will be even better.

RCA cuts meet protest

BY GILES MERRITT IN BRUSSELS

BELGIUM'S caretaker Prime Minister, M. Paul Vanden Boeynants, is to be asked to push for an official inquiry into the planned closure of Radio Corporation of America's European semiconductor plant near Liege.

More French companies fail

PARIS — French corporate failures, including bankruptcies, legal settlements and liquidations, increased by 12.6 per cent last year to an unadjusted 15,589 from 13,842 in 1977, the Statistical Institute reported.

Premier-Nampak in deal

BY JIM JONES IN JOHANNESBURG

STEPS HAVE been taken to deconsolidate the Rhodesian interests of the South African paper manufacturer Premier Paper, it has been announced here.

Bank sale causes protest

BY L. DANIEL IN TEL AVIV

THE MARITIME Bank of Israel — a Government-owned institution — has been sold to the Eisenberg group of companies, which operates in Israel and abroad.

Japanese margin debt

MARGIN debts on three major stock exchanges rose by ¥15.5bn (\$82m) in the week to last Saturday, the Tokyo Stock Exchange announced.

Paint works development in Malaysia

BY OUR KUALA LUMPUR CORRESPONDENT

ICI PAINTS SDN. BERHAD, a member of the ICI group of companies in Malaysia, is to spend 10m ringgit (\$4.5m) this year to expand its plant outside Kuala Lumpur to make it the biggest paint works in South-East Asia.

Hungary faces stiffer terms for \$300m facility

BY ANTHONY ROBINSON

THE NATIONAL Bank of Hungary's attempt to repeat last year's success and raise \$300m through a syndicated loan facility on the finest terms is reportedly meeting considerable resistance.

INTERNATIONAL CAPITAL MARKETS

\$100m loan for Tunisian project

BY FRANCIS GHILES

THE FINANCING of a number of projects in Tunisia and Algeria is being discussed in the international credit markets.

The borrower is Trans-Tunisia Pipeline Company (TTPC), a Jersey based subsidiary of Jersey based subsidiary of SNAM, itself fully owned by the Italian state oil company ENI.

The financing of the Tunisian section of the Algeria-Italy gas pipeline is being arranged through a group of eight banks co-ordinated by Credit Lyonnais. Bank of America International is the agent.

The same Algerian bank is raising DM 50m for eight years with three years' grace and a spread of 1 1/2 per cent through-out via a group of banks led by BHF Bank.

Companies and Markets

Wall St. maintains rise in active trading

INVESTMENT DOLLAR PREMIUM ... \$2.60 to £1-90 1/4 (88 1/2%) Effective £1.9990 46 1/4 (45 1/2%) ... Consolidated Edison picked up ... Closing prices and market reports were not available for this edition.

Books also recovered from downturn. Drexler bank was up DM1.50, while Commerzbank and Deutsche Bank made lesser gains. Bayerische Vereinsbank gained DM3.00. ... Prices closed higher after increased trading. The Hang Seng Index gained 5.03 points to close at 536.25.

Prices were mixed in very light trading with the ANP-CBS general index remaining unchanged at 93.8. Most investor attention seemed to be keyed on the outcome of the Dutch government's new 10-year bond issue which carries a coupon of 5.25 per cent and was scheduled to be priced last night.

quarterm profits. Xerox said December quarter profits rose and forecast another good year in 1979 but it was unchanged at \$585. ... Eastern Airlines slipped to 89. Its fourth-quarter profits fell. Active 111 Inc. lost 2 to 832.

Shares mixed with a majority showing small losses. Trading slightly more active and the market indicator dropped 0.04. A 12.6 per cent rise in French corporate failures last year dampened investors' enthusiasm. ... Prices drifted lower in moderate trading. Oerlikon-Buehrle fell on sustained selling in financials, while Interford B and Motor Columns were among the few gainers.

The revision should be made by raising the coupon rate and/or lowering the issue price, he argued. The Japanese Government's decision to announce yesterday to cut national bond flotation in February to about ¥100bn (\$650m) from the originally projected ¥400bn was appropriate, but a long-term programme for national bond management would be required to place the bond market on a stable basis.

Germany. Prices broadly higher led by machinery makers and stores. American stock exchange trading. Continental Commercial dropped 4 to 811. It was un-

Switzerland. Trading quiet. Lambert, Asturienne, Union Miniere, FN.

term programme for national bond management would be required to place the bond market on a stable basis. The Japanese Finance Ministry told underwriters it would cut its national bond issue in February to strengthen secondary market prices of national bonds.

NEW YORK Stock table with columns for Stock, Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

Stock table with columns for Stock, Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

Revision of Japan's issue terms urged

TOKYO - The Japanese Government should revise the issue terms of national bonds soon, because there is a discrepancy between yields on new issues and those in the secondary market. Mr. Takuji Matsuzawa, president of the Federation of Bankers' Associations said here. ... The Japanese Finance Ministry told underwriters it would cut its national bond issue in February to strengthen secondary market prices of national bonds.

BRUSSELS LUXEMBOURG

BRUSSELS LUXEMBOURG Stock table with columns for Stock, Jan 25, Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

Indices

NEW YORK - DOW JONES Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

STANDARD AND POORS

STANDARD AND POORS Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

Y.T.S. ALL COMMON

Y.T.S. ALL COMMON Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

MONTREAL

MONTREAL Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

TORONTO COMPOSITE

TORONTO COMPOSITE Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

JOHANNESBURG

JOHANNESBURG Stock table with columns for Jan 22, Jan 19, Jan 17, Jan 15, Jan 12, Jan 9, Jan 6, Jan 3, 1978-79 High, Low, 1978-79 High, Low, Since Completion High, Low.

MONDAY'S ACTIVE STOCKS

MONDAY'S ACTIVE STOCKS Stock table with columns for Stock, Price, + or - of Prev. Day, Div. Yld. %.

JOHANNESBURG MINES

JOHANNESBURG MINES Stock table with columns for Stock, Price, + or - of Prev. Day, Div. Yld. %.

SPAIN

SPAIN Stock table with columns for Stock, Price, + or - of Prev. Day, Div. Yld. %.

EUROPEAN OPTIONS EXCHANGE

EUROPEAN OPTIONS EXCHANGE table with columns for Series, Vol., Last, July, Oct, Stock.

BASE LENDING RATES

BASE LENDING RATES table with columns for Bank, Rate, %.

AMSTERDAM

AMSTERDAM Stock table with columns for Stock, Price, + or - of Div. Yld. %.

COPENHAGEN

COPENHAGEN Stock table with columns for Stock, Price, + or - of Div. Yld. %.

VIENNA

VIENNA Stock table with columns for Stock, Price, + or - of Div. Yld. %.

STOCKHOLM

STOCKHOLM Stock table with columns for Stock, Price, + or - of Div. Yld. %.

MILAN

MILAN Stock table with columns for Stock, Price, + or - of Div. Yld. %.

New EEC outlets for UK farm exports

By Christopher Parke

GREECE, SPAIN and Portugal, the three applicants for Common Market membership...

Farm price delay expected

By Margaret Van Hattem in Brussels

MR. FYNON, Olav Gundelach, EEC Agriculture Commissioner, is expected to advise further delay on this year's farm price proposals...

to have produced any sort of deal, nor to have touched on the problem of agricultural surpluses.

Indonesia says no to Japanese bauxite plan

TOKYO

The Indonesian Government's Minister of Resources, Anekatambing, has rejected a compromise proposal from Japanese aluminium smelters...

Sir Henry Plumb gives crisis warning to farmers

By John Cherrington, Agriculture Correspondent

THE NATION is in crisis and no one knows what to do from one hour to the next, said Sir Henry Plumb in his opening speech to the National Farmers Union annual general meeting in London yesterday.

More UK sugar beet processed

Financial Times Reporter

ABOUT 6.2m tonnes or just over 90 per cent of the UK sugar beet crop was delivered by January 20, a spokesman for the British Sugar Corporation said yesterday.

Malaysia may buy Thai rice

BANGKOK

Malaysia is expected to order 100,000 tonnes of Thai rice in the near future, director general of the Thai Foreign Trade Department Bait Issanasa said yesterday.

Producers lift cost of zinc

By John Edwards, Commodities Editor

BRITAIN'S DOMESTIC zinc producer, A.M. & S. (Europe), confirmed yesterday it was raising its base price for zinc from \$720 to \$760 a tonne.

U.S. may pay more to commodity groups

By Our Commodities Staff

WASHINGTON — The U.S. State Department requested more than \$29m in the 1980 fiscal year Budget, starting next October 1, to cover the U.S. share of financing five international commodity organisations, reports Reuters.

Europe eats beef 'mountain'

By Christopher Parke

STOCKS OF beef in the European Community's intervention stores fell 42 per cent last year to 210,000 tonnes as production slipped and traders drew on frozen reserves.

Oil money for Orkney farmers

By Our Commodities Staff

ORKNIEY PLANS to spend some of its North Sea oil revenue on assisting local farmers and fishermen. A permanent Council sub-committee has been formed to consider applications.

BRITISH COMMODITY MARKETS

Table with columns for Base Metals, Metals, and other commodity prices.

PRICE CHANGES

Table showing price changes for various commodities like Wheat, Barley, and Beans.

AMERICAN MARKETS

Table showing American market prices for commodities like Soybeans and Corn.

EUROPEAN MARKETS

Table showing European market prices for commodities like Wheat and Sugar.

APOLLO The world's leading magazine of Arts and Antiques. Published Monthly, price £2.00.

SILVER Edited by Denis Sutton. The world's leading magazine of Arts and Antiques.

FINANCIAL TIMES DOW JONES. Table with columns for Jan 80, Jan 81, 1978, 1979, 1980.

INDICES. Table showing various indices and their values.

LOCAL AUTHORITY BONDS Every Saturday the Financial Times publishes a table giving details of Local Authority Bonds on offer to the public.

COFFEE ROBUSTA failed to follow through on the upside after Monday's gains as renewed Commission House buying was missed during the morning.

WOOL FUTURES LONDON GREASY-CLOSE (in order buyer, seller). March 210.0, 216.0.

Import curbs to aid endangered species. By Our Commodities Staff. BRITAIN HAS stepped up its support for the world conservation movement.

Monetary restraint warning and bleak industrial scene bring equities down to six-month low—Gilts steadier

Account Dealing Dates Option
*First Declara- Last Account Dealings tions Dealings Day

The scene presented by stock markets yesterday was much the same as the bleak weather and industrial picture, and the FT 30-share index broke out of its three-month 37-point trading range to close at a six-month low.

Dealers were relieved and encouraged by initial willingness on the part of some buyers to come in at slightly lower price levels but the downturn was subsequently resumed when demand was satisfied and small selling persisted.

The determination in the tone after the rallying tendency had petered out around noon was reflected in the FT Industrial Ordinary index which thereafter went progressively earlier to rise at the worst of the day with a fall of 5.5 to 487.4, lowest since July 10 of last year.

The call for the Government to keep its monetary policies under tight control gave a shred of comfort to the Gilts sector. Longer maturities steadied after the previous day's sharp setback and, despite small selling which caused quotations to ease at one stage, closed at overnight list levels.

Following an active day's trade in the investment currency market, the premium closed 1/2 higher at 90 1/2 per cent. Yesterday's SE conversion

factor was 0.6837 (0.6874). Almost half of the 433 contracts completed on the Traded Option market yesterday were done in Grand Metropolitan, with 205 deals.

Banks easier Sporadic small offerings and lack of support brought further small falls to the major clearing banks. Barclays, 380p, and NatWest, 282p, declined 3 apiece, while Lloyds softened 2 to 288 as did Midland to 365p.

Insurances closed lower throughout the list in sympathy with the general trend. Royal Indemnity fell 1/2 to 340p, London United 4 to 178p and Willis Faber 3 to 225p.

The Scotch Whisky Association's warning over future export growth in the industry left Distillers issues displaying modest falls. Distillers cheapened 3 to 205p, and Arthur Bell, which recently announced a marketing deal with PepsiCo to improve their share of the U.S. market, gave up 1/2 to 177p.

Quiet conditions persisted in the Building section where occasional selling was reflected in scattered losses of a few pence. Cement issues to give ground included Blue Circle, 265p, and Tunnel "B", 300p, down 4 apiece.

ICI encountered fresh sporadic selling and fell fresh to 354p before settling at 355p, down 3 on balance. Other chemicals were also inclined easier. ICI Chemicals and Plastics, 340p, fell 1/2 to 339p, while ICI Chemicals and Polymers, 340p, fell 1/2 to 339p.

Discount ended 4 off at 207p in favour of today's annual results. Despite the record interim earnings, Couris (Furnishers) A dipped 2 to 112p, while falls of 4 and 5 respectively were recorded in Foster Bros (Clothing), 170p, and Lee Cooper, 185p.

Supermarkets again tended lower; Associated Dairies, 191p, Amos Hinton, 81p, and William Low, 96p, all shed 2, while recently firm Hilliards gave up 6 to 206p.

Rank Org. lower A Press suggestion that today's preliminary results will be accompanied by a £60m rights issue unsettled Rank Organisation which fell away to close 3 lower at 266p.

Textiles again encountered a low level of activity and the Comtanks shed a couple of pence to 115p. Despite a broker's bullish circular on the carpet industry, most issues held opening prices although Carpets inter-nationally eased a penny to 56p.

Small losses were the order of the day in quietly-traded Metals. Lucas gave up 8 to 289p in the continued absence of institutional support. Elsewhere in Components, Dowty eased 3 to 254p.

Properties mirrored the dull market trend and closed with widespread losses. Chesters fell 5 to 360p, while United Biscuits, Puts were

Great Portland Estates gave up 4 to 226p as did Stock Conversion, to 296p, the last named after firmness which followed recent impressive interim results.

Trusts recorded widespread losses of a penny and occasionally more. Among Financials, Smith Bros, eased 3 to 53p on the lower interim profits.

Shippings drifted lower in quiet trading. P and O deferred reacting a penny to 89p and Common Bros. 2 to 186p.

South African Gold shares held up well despite a \$3.50 reaction in the bullion price to \$230.625 per ounce. After moving further ahead in the U.S. late on Tuesday evening, prices came under light selling pressure from Johannesburg in early trading.

South African Gold shares held up well despite a \$3.50 reaction in the bullion price to \$230.625 per ounce. After moving further ahead in the U.S. late on Tuesday evening, prices came under light selling pressure from Johannesburg in early trading.

The Gold Mines index registered a 0.6 improvement at 160.1 but the ex-premium index eased 0.1 to 109.8.

South African Financials were featured by the late strength of De Beers, which closed 12 higher at 458p following American buying. "Johnnies" also made fresh progress with a gain of 4 to £16.

London-based Financials were lower across the board, reflecting lack of interest and a further downturn in UK equities. Rio-Tinto-Zinc, 250p, Gold Fields, 135p, and Anglo-Consolidated, 188p, were all around 3 cheaper.

South African Gold shares held up well despite a \$3.50 reaction in the bullion price to \$230.625 per ounce. After moving further ahead in the U.S. late on Tuesday evening, prices came under light selling pressure from Johannesburg in early trading.

The Gold Mines index registered a 0.6 improvement at 160.1 but the ex-premium index eased 0.1 to 109.8.

South African Financials were featured by the late strength of De Beers, which closed 12 higher at 458p following American buying. "Johnnies" also made fresh progress with a gain of 4 to £16.

London-based Financials were lower across the board, reflecting lack of interest and a further downturn in UK equities. Rio-Tinto-Zinc, 250p, Gold Fields, 135p, and Anglo-Consolidated, 188p, were all around 3 cheaper.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices and their values over time.

HIGHS AND LOWS
Table showing high and low prices for various stocks.

ACTIVE STOCKS
Table listing active stocks with their prices and changes.

NEW HIGHS AND LOWS FOR 1978/9
Table listing new highs and lows for various stocks in 1978/9.

APPOINTMENTS
Allen Harvey & Ross chairman

Mr. Allister Buchanan, deputy chairman of ALLEN HARVEY AND ROSS, is to become chairman from April 30. He will succeed Mr. Michael Allsopp, who will remain on the Board.

CENTRAL ASSETS LIMITED
(Incorporated with limited liability in Jersey as a company under the Companies (Jersey) Laws, 1981 to 1986)
Application has been made to the Council of The Stock Exchange for all the Capital Shares of 1p each of Central Assets Limited, issued and available to be issued, to be admitted to the Official List.

LONDON TRADED OPTIONS
Table showing option prices for various stocks in January, April, and July.

RECENT ISSUES
Table listing recent issues of stocks and their prices.

EQUITIES
Table listing various equity issues and their prices.

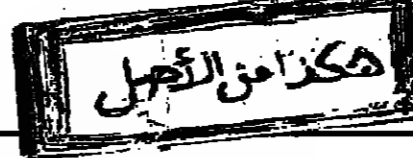
FIXED INTEREST STOCKS
Table listing fixed interest stocks and their prices.

"RIGHTS" OFFERS
Table listing rights offers and their prices.

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with multiple columns showing share indices for various equity groups and sub-sections.

AUTHORISED UNIT TRUSTS



OFFSHORE AND OVERSEAS FUNDS

STOCK INDEXES... WS FOR... INDICES

Table of financial data for various unit trusts, including columns for fund names, managers, and performance metrics.

Table of financial data for various unit trusts, including columns for fund names, managers, and performance metrics.

Table of financial data for various unit trusts, including columns for fund names, managers, and performance metrics.

Table of financial data for various unit trusts, including columns for fund names, managers, and performance metrics.

INSURANCE AND PROPERTY BONDS

Table titled 'INSURANCE BASE RATES' showing rates for various insurance policies.

Table titled 'CORAL INDEX: Close 466.47' showing index values and related data.

NOTES section containing various financial notes and announcements.

INDUSTRIALS—Continued

Table of industrial stocks including Anglo-Iranian, British Petroleum, Shell, and various other companies with their respective prices and market data.

INSURANCE—Continued

Table of insurance stocks including Commercial Union Assurance, Guardian, and various other insurers.

PROPERTY—Continued

Table of property stocks including British Land, Anglo-Scottish, and various other real estate companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including British Venture, Anglo-Scottish, and various other trusts.

FINANCE, LAND—Continued

Table of finance and land stocks including Anglo-Scottish, British Venture, and various other financial institutions.

International Finance DAIWA SECURITIES logo and header.

MINES—Continued

Table of mine stocks including Anglo-Iranian, British Petroleum, and various other mining companies.

AUSTRALIAN

Table of Australian stocks including Anglo-Iranian, British Petroleum, and various other Australian companies.

TINS

Table of tin stocks including Anglo-Iranian, British Petroleum, and various other tin companies.

COPPER

Table of copper stocks including Anglo-Iranian, British Petroleum, and various other copper companies.

MISCELLANEOUS

Table of miscellaneous stocks including Anglo-Iranian, British Petroleum, and various other companies.

GOLDS EX-\$ PREMIUM

Table of gold stocks including Anglo-Iranian, British Petroleum, and various other gold companies.

NOTES

Notes section containing various financial notices and announcements.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including Anglo-Iranian, British Petroleum, and various other companies.

LEISURE

Table of leisure stocks including Anglo-Iranian, British Petroleum, and various other companies.

SHIPBUILDERS, REPAIRERS

Table of shipbuilders and repairers stocks including Anglo-Iranian, British Petroleum, and various other companies.

SHIPPING

Table of shipping stocks including Anglo-Iranian, British Petroleum, and various other companies.

OVERSEAS TRADERS

Table of overseas traders stocks including Anglo-Iranian, British Petroleum, and various other companies.

Commercial Vehicles

Table of commercial vehicle stocks including Anglo-Iranian, British Petroleum, and various other companies.

Components

Table of component stocks including Anglo-Iranian, British Petroleum, and various other companies.

SHOES AND LEATHER

Table of shoes and leather stocks including Anglo-Iranian, British Petroleum, and various other companies.

SOUTH AFRICANS

Table of South African stocks including Anglo-Iranian, British Petroleum, and various other companies.

RUBBERS AND SISALS

Table of rubber and sisal stocks including Anglo-Iranian, British Petroleum, and various other companies.

Garages and Distributors

Table of garage and distributor stocks including Anglo-Iranian, British Petroleum, and various other companies.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including Anglo-Iranian, British Petroleum, and various other companies.

TEXTILES

Table of textile stocks including Anglo-Iranian, British Petroleum, and various other companies.

TEAS

Table of tea stocks including Anglo-Iranian, British Petroleum, and various other companies.

India and Bangladesh

Table of India and Bangladesh stocks including Anglo-Iranian, British Petroleum, and various other companies.

PAPER PRINTING ADVERTISING

Table of paper printing and advertising stocks including Anglo-Iranian, British Petroleum, and various other companies.

TOBACCO

Table of tobacco stocks including Anglo-Iranian, British Petroleum, and various other companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including Anglo-Iranian, British Petroleum, and various other companies.

EASTERN RAND

Table of Eastern Rand stocks including Anglo-Iranian, British Petroleum, and various other companies.

FAR WEST RAND

Table of Far West Rand stocks including Anglo-Iranian, British Petroleum, and various other companies.

PROPERTY

Table of property stocks including Anglo-Iranian, British Petroleum, and various other companies.

FINANCE, LAND

Table of finance and land stocks including Anglo-Iranian, British Petroleum, and various other companies.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including Anglo-Iranian, British Petroleum, and various other companies.

O.F.S.

Table of O.F.S. stocks including Anglo-Iranian, British Petroleum, and various other companies.

FINANCE

Table of finance stocks including Anglo-Iranian, British Petroleum, and various other companies.

INSURANCE

Table of insurance stocks including Anglo-Iranian, British Petroleum, and various other companies.

CENTRAL AFRICAN

Table of Central African stocks including Anglo-Iranian, British Petroleum, and various other companies.

REGIONAL MARKETS

Table of regional markets including Anglo-Iranian, British Petroleum, and various other companies.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including Anglo-Iranian, British Petroleum, and various other companies.

CENTRAL AFRICAN

Table of Central African stocks including Anglo-Iranian, British Petroleum, and various other companies.

OPTIONS 3-month Call Rates

Table of options and 3-month call rates including Anglo-Iranian, British Petroleum, and various other companies.

RECENT ISSUES

Table of recent issues including Anglo-Iranian, British Petroleum, and various other companies.

RECENT ISSUES

Table of recent issues including Anglo-Iranian, British Petroleum, and various other companies.

Additional notes and information at the bottom of the page.

A FORCE IN THE LAND for Property Sales - Grimley & son

FINANCIAL TIMES

Wednesday January 24 1979

Companies House Searches? Extel are Expert

Germans rule out further tax reforms

BY ADRIAN DICKS IN BONN

THE West German Cabinet expects the German economy to grow by 4 per cent this year without fresh incentives.

Count Lamsdorff listed these as the still powerful forces in favour of protectionism in world trade, the risk of a return to unstable exchange markets, renewed weakness in the economies of major trading partners, and looming threats to supplies of raw materials.

ments last year, and welcomed the agreement reached early yesterday in the Hesse metal fabrication and engineering industry as a laudable step in the same direction.

Stimulus

With these factors in mind, no substantial stimulus to the economy from exports is forecast in 1979. They are expected to grow at best by about the same 5 per cent in real terms as world trade generally.

Count Lamsdorff stressed the Government's support for the tonch on the monetary brakes made by the Bundesbank last week, and stressed that Bonn supports the central bankers' concern to safeguard stability.

Rail unions put 'substantial' pay claims

BY PHILIP BASSETT, LABOUR STAFF

RAIL UNION leaders yesterday presented their "substantial" pay claims in negotiations with the British Railway Board.

Some London Transport tube services seemed to be affected yesterday by unofficial sympathy action by ASLEF drivers.

Uncertain Before yesterday's talks it was uncertain if the two sides would actually meet.

Productivity Mr. Sid Weighell, NUR general secretary, said his union would expect to be offered about 9 per cent as well as an extension of its present national productivity deal.

Fiat completes its reshuffle of management

BY PAUL BETTS IN ROME

FIAT YESTERDAY completed its ambitious group reorganisation with a top management reshuffle that gives Sig. Umberto Agnelli, the younger of the two Agnelli brothers, direct control over day-to-day management of Italy's largest private enterprise.

LA.902bn (£2.9bn) in 1977 to L5,757bn (£3.3bn). Sig. Romiti has been mainly responsible for the consolidation of Fiat's financial position and the group's subsequent increased profitability.

London Evening News to cut staff

BY JOHN LLOYD

THE LONDON Evening News is to cut both its staff and the number of editions it prints in an effort to trim £5m off its annual losses, now running at over £7m.

The paper's management presented a series of radical changes to its owners, representatives and heads of department yesterday. The package includes:

Fight to halt train on profits. Page 6 Journalists challenge union over strike. Page 8 Booth urged to end Times stalemate. Page 9

British Steel signs Brazil agreement

BY JOHN LLOYD

THE British Steel Corporation yesterday signed a technical agreement with Siderurgica Brasileira (Siderbras), the Brazilian steel industry's state holding company.

Continued from Page 1 Jobless rise highest level for more than four years.

Callaghan

from going to work and others were being intimidated from reporting unlawful actions to the police, for fear of losing their union cards and their right to work.

had substantially increased. The pound was strong on the foreign exchanges and had helped to keep prices stable.

Mr. Lou Kirby, editor of the News, said that "these measures will enable the Evening News to meet with greater vitality the contemporary needs of readers and advertisers and will provide the opportunity to build upon the newspaper's very substantial achievements over the past 13 months."

Weather

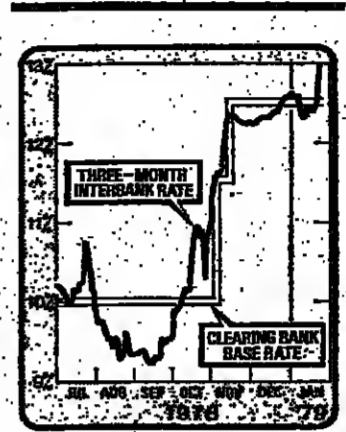
Table with columns for location and weather conditions: UK TODAY, BUSINESS CENTRES, HOLIDAY RESORTS.

A disappointment from Davy

THE LEX COLUMN

Poor attendance could have influenced the dip in the FT 30-Share Index below the important 470 level yesterday morning.

Index fell 5.5 to 467.6



Dave Corporation Yesterday hardly provided the most opportune occasion to announce unsatisfactory figures, and poor Davy Corporation had 10 per cent knocked off its market capitalisation when it brought out a first half profit figure barely changed at £8.5m.

change's general levy. This would have run counter to the normal practice, whereby central services are paid for by the users, and it would certainly have upset the big gilts specialists who will get no benefit from Talisman.

Talisman The tariffs for Talisman, the Stock Exchange's new computerised settlement system, have at last been agreed—but not without keen debate at Council level.

Interest rates Helped by the Governor's brave words about the need for monetary discipline, sterling closed virtually unchanged last night and gilt-edged prices hardly moved.

Assoc. Newspapers Rumours about the size of the losses at the London Evening News have been common enough in Fleet Street, but Associated Newspapers have never told its shareholders what the burden has been.

'COMPUTERS EAT MONEY' 'Ours only eat work' say KIENZLE. High Speed Invoicing, Sales/Purchase and Nominal Ledgers, Payroll, Automatic Stock Control, Management Figures. All so simple on the KIENZLE 2000 Office Computer.